

Published
Monthly by the
NATIONAL
MUNICIPAL
LEAGUE
Vol. XXIV, No. 2
TOTAL NO. 224

NATIONAL
MUNICIPAL REVIEW

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THE LEAGUE'S BUSINESS

Radio Broadcasts on 1935 Legislative Problems.—Series Ten of YOU AND YOUR GOVERNMENT broadcasts, entitled "The 44 State Legislatures of 1935," is now under way and will continue until June 11. Many outstanding speakers are listed, including United States Senator George W. Norris, James A. Moffett, Federal Housing Administrator, Dr. Harold W. Dodds, President of Princeton University, Raymond Moley, and Governors Harold G. Hoffman of New Jersey, Philip F. LaFollette of Wisconsin, and H. Styles Bridges of New Hampshire. A copy of the program may be secured from the League's office.

These broadcasts are sponsored by the National Municipal League in coöperation with the Committee on Civic Education by Radio of the National Advisory Council on Radio in Education and the American Political Science Association. They are now on the air each Tuesday evening from 7:45 to 8:00 o'clock eastern standard time over a nation-wide network of the National Broadcasting Company (red network and affiliated stations). Copies of individual broadcasts may be obtained from the League's office for fifteen cents, the entire series for two dollars. The program for coming weeks is listed below:

February 12—"Government by the People." Hon. John G. Winant, Former Governor of New Hampshire.

February 19—"Simplification of Local Government." Hon. Seabury C. Mastick, Chairman, New York State Commission for the Revision of the Tax Laws; Howard P. Jones, Secretary, National Municipal League.

February 26—"How can the Legislatures Help the Police?" Chief Andrew J. Kavanaugh, First Vice-President, International Association of Chiefs of Police; Donald C. Stone, Director, Consulting and Research Division, Public Administration Service.

March 5—"Providing a Liquid Market for Home Mortgages." James A. Moffett, Federal Housing Administrator.

March 12—"Financing Emergency Relief." Arch Mandel, Field Representative, F.E.R.A.; Frederick I. Daniels, Executive Director, New York State T.E.R.A.

* * *

Consultant Service Working on City-County Consolidation.—City-county consolidation has acquired more prominence as a leading issue in municipal affairs, with the present need for economies in administration. Jacksonville and Duval County, Florida, are now working out a plan with the aid of Dr. Thomas H. Reed, Director of the League's Municipal Consultant Service. Dr. Reed has directed similar studies in Pittsburgh and Allegheny County, Pennsylvania; St. Louis and St. Louis County, Missouri; and Oakland and Alameda County, California.

The Municipal Consultant Service has completed fifteen studies of municipal administrative problems, in various parts of the country, in its first year. Its services are available to municipalities and to citizen groups, at moderate cost, for developing constructive solutions to existing financial organization problems in local government.

* * *

Portland Prize Award.—Because of the closeness of the contest, the judges in the 1934 Portland prize contest decided to divide the award of twenty-five dollars into a first prize of fifteen dollars and a second of ten dollars. These prizes have been won by Donald N. Wheeler for his paper on "Multnomah County Property Tax" and Robert Bernard, who wrote on "Federal Aid to Municipal Health." Judges in the contest were Professor Joseph P. Harris of the University of Washington, Dean Emery E. Olson of the University of Southern California, and Hollis R. Thompson, city manager of Berkeley.

* * *

Comments on the Fortieth Annual Convention of the League.—*Lawson Purdy*, Treasurer, Russell Sage Foundation: "I think the conference was a very great success. It was so well managed I can think of no improvement."

Joseph T. Miller, Chairman, The Metropolitan Plan Commission for Allegheny County: "I think you are to be congratulated on the convention of the National Municipal League

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Editorial
Comment



February

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New Responsibilities On the Way

IN THE reorganization of local government, one of the cardinal points in any intelligently conceived program is the transfer of functions to the particular unit of government best qualified to administer them. Much has been said in the NATIONAL MUNICIPAL REVIEW of the possibility of abolishing such useless units of government as the middle western township and counties in the cut-over timber areas of Minnesota, Wisconsin, Michigan, and New York State by amputating their functions. Transfer of the responsibility for administering certain local governmental services from small to larger units is inevitable, dictated by the necessities of a machine age, as well as by the insistence of taxpayers upon efficient administration and a wider tax base.

This, however, is not the only transfer of functions that is taking place. There is a broader and even more significant sweep toward the transfer of functions now being rendered by private organizations and agencies to government. Evidences of the flow of this mighty current may be observed almost daily. Local governments enter the business of supplying low-rent apartments to slum dwellers. The federal government begins to produce and dis-

tribute power and to build whole communities to accommodate the population that accumulates in the vicinity of the power development. New impetus has been given to governmental ownership and operation of public utilities, on whatever level of government they may lie. The charter of Jamestown, New York, includes a provision to put the city in the business of selling milk.

Whether we like it or not, this is what is happening. Whether we like it or not, this is the new mould into which we are pouring the civilization of the future.

To local government, this latter trend presents a challenge and an opportunity. Our present local governments, speaking in general terms the country over, are incapable of assuming new and enlarged responsibilities without going through fundamental reorganization as to area of administration, structure of government, administrative methods and personnel. These new and enlarged responsibilities are being and will continue to be thrust upon them. They must become efficient or bungle the job. It is as if we were in a contest to determine whether local government will be crushed beneath the weight of these new responsibilities or whether

it will be able to reorganize and develop its strength in time to carry them. Upon the citizen who stands by, the re-

sult will have far reaching effects. The outcome may determine the fate of democracy.

Toward Careers In Public Service

ONE OF the most significant contributions to better government in America that has yet been made is contained within the slim black covers of a volume entitled, "Better Government Personnel," which is the report of the Commission of Inquiry on Public Service Personnel, appointed by the Social Science Research Council in December 1933 as a result of recommendations made by President Hoover's Research Committee on Social Trends. The members of this commission are (or *were*, since the commission automatically went out of existence with the publication of its report):

L. D. Coffman, *Chairman*, President, University of Minnesota

Louis Brownlow, Director, Public Administration Clearing House, Chicago

Ralph Budd, President, Chicago, Burlington & Quincy Railroad

Arthur L. Day, Vice-President, Corning Glass Works

Charles E. Merriam, University of Chicago

Luther Gulick, *Director of Research and Secretary to the Commission*, Director, Institute of Public Administration

The reason this report makes a significant contribution is because it cuts directly to the heart of the problem. Government in the past has not offered the most capable men and women produced by our civilization an opportunity for a lifetime career. Private business, industry, and the professions have, speaking generally, skimmed off the cream of our population. The prestige

value of public service as against private service has been low. What to do?

Two groups of recommendations are brought forward by the commission: general recommendations covering a long-range program and specific recommendations for immediate action. These recommendations, which are published in full on page 114 of this issue, are all pointed toward the extension of the merit system as against the spoils system in government and the creation of incentives for the best young men and women to concentrate upon public administration as a career. It is essential, not only to make certain that candidates for positions in the public service are given consideration in proportion to their fitness for the work they will have to do but also to ensure them security if they are qualified and conscientious and provide them with a spur to endeavor in the way of opportunities for promotion and other means of distinguishing themselves.

Patience may be a virtue but few young men and women of promise are overburdened with their share of this quality. Patience in youth is too apt to be the companion of a routine mind. One of the most vital and difficult problems is to adjust the steps of the ladder of governmental service to the slow plodder and the strong and active alike. This critical problem the commission has recognized and perhaps wisely attempted no hard and fast solution but appreciated it as a problem in human relationships between superior officers and subordinates.

If this report does no more than to

focus the attention of the nation's leaders upon the necessity of building careers into the structure of public administration, it will have accomplished much. If the least recommendation of the commission is carried out, it will have accomplished more. And if the

program is adopted as a framework within which to weave the pattern of personnel in government during the next ten years, the hopes of those interested in improvement of government through the professionalization of the public service will have been exceeded.

Who's Who in This Issue of the Review

Dr. L. D. Coffman, president of the University of Minnesota since 1920, has served extensively on educational commissions here and abroad, has directed numerous factual studies of educational organization, and is a member of the Commission of Inquiry on Public Service Personnel.

Hon. George W. Norris, United States Senator from Nebraska, farmer, teacher, lawyer, began his political career as a prosecuting attorney, was elected to the House of Representatives in 1903, and to the Senate in 1913. His was the dominant spirit in the recent successful campaign to install in Nebraska the one-house legislature recommended in 1921 in the League's Model State Constitution.

Edward A. Filene, president of the Boston merchant house which bears his name, pioneered in applying scientific administrative methods to retail distribution, carried his social outlook into the governmental problems of his city, and is today active in numerous local and national organizations for improving the general welfare.

Dr. Henry C. Morrison, professor of education at the University of Chicago, became intimately concerned with the problems of school finance as a high school principal, served on the Educational Finance Commission of 1921, and has written extensively on education's fiscal difficulties.

Dr. John K. Norton, professor at Teachers College, Columbia University, directed research for the National Education Association and at California State Teachers College, and is chairman of the Joint Commission on the Emergency in Education.

Roscoe C. Martin, professor of government at the University of Texas, active leader in reorganizing the state's administrative and financial machinery, director of the university's Bureau of Municipal Research, is the author of numerous current studies on Texas organization and taxation.

Walter L. Pierpoint, president of the Association of Omaha Taxpayers, civic worker and head of one of the most effective taxpayers' groups in the country, took a prominent lead in the recent campaign to secure a manager charter for his home county.

John S. Linen, second vice-president of the Chase National Bank, active leader of the Investment Bankers Association, is an authority on municipal finances in his home state, New Jersey, and a pioneer in leading financial groups to appraise problems facing municipal governments and aid in their solution. He is president of the Bond Club of New York.



HEADLINES

Up to November 1, false alarms had cost Youngstown's fire department \$15,000 this fiscal year. Some of our political false alarms are daily costing the nation a good deal more than that.

* * *

Milwaukee takes prompt advantage of the public economies offered by its new city-county consolidation plan, by voting to have its aldermen represent it on the county board.

* * *

Since receiving the figures quoted in December "Headlines" for Washington's proposed \$8,000,000, sewage disposal plant at Blue Plains, Va., a new district engineer commissioner has changed the plans in favor of a partial disposal plant for \$4,000,000, wishing to use the other \$4,000,000 of the CWA grant for other district purposes. Discussing this and other financial setbacks in the nation's Capital, John J. Rothermel writes: "Residents of the city are concerned that the Congress does not get credit for being more liberal with the District than it actually is; the trouble is almost entirely in the House, and due there to only one or two members."

Yet it seems already, to an apprehensive outsider, as if this Congress were going to need all the credit of all kinds it can possibly acquire.

* * *

In the face of the West Virginia, Ohio, and other highly publicized fiascos, Illinois toys with the tax-limitation idea. State politicians should read the newspapers.

* * *

Municipal Finance will publish in February a complete resumé of the public default situation in this country. According to the *Bond Buyer*, matters are already on the mend. November 1, 1934, eight states had no city or town defaults, thirty-one had from one to seven, and only three had over one hundred.

* * *

The *Detroit News* sifts the popular charge that "Michigan is full of expensive boards and commissions," which wastefully are draining the treasury. It finds (1) the total so expended is slightly less than \$300,000; (2) the three most indispensable of them use more than one third of this total; (3) fourteen are regulatory in nature and more than support themselves by fees; (4) the remaining fifteen "cost little or nothing."

So that settles that.

* * *

Police departments of approximately one hundred cities now are using the Uniform Crime Record prepared by the International Association of Chiefs of Police for the United States Department of Justice. Police radios are now in nation-wide use—with improvements and adaptations that would stagger the commercial radio services. The important point herein is the way at least one branch of the public service is contriving to be part of the Twentieth Century, despite being the focal point of medieval political pressure everywhere.

E. M. B.

The One-House Legislature

The leader in Nebraska's adoption of a single legislative chamber tells of its advantages

GEORGE W. NORRIS

United States Senator from Nebraska

THE question arises at once: Why should we have two branches in a legislature?

We elect the members of both branches from the same classes of people; their qualifications are exactly the same; their official duties and jurisdiction are exactly the same. Why do we not apply the same principle in other lines of government or of business? Why do we not have two boards of directors for our banks? Why not have two sets of county commissioners to govern our counties? Why do we not have two boards of aldermen in our municipalities? In other words, why do we adhere to the two-branch legislature, and yet reject the principle in every other line of government and of business?

When we study the history of civilization, we find that originally there was no such thing as a legislature. The king was supreme. When his reign became obnoxious and the people had improved themselves in education and had advanced in civilization, they gradually began to demand that representatives of the people should have something to say about government, and after many years of agitation the legislature emerged.

While our forefathers fought to overthrow the rule of Great Britain, yet, in the establishment of a new government, they followed the mother

country. The legislatures of our colonies and of our states, as well as our federal government, were to a great extent copied after Great Britain. In those days England had a two-branch legislature, the House of Commons, elected by the people and representing the people, and the House of Lords, appointed for life by the King and representing the sovereign. The members of these two houses came from different classes; they represented different interests; their tenure of office was entirely different. Neither house could pass any law without the approval of the other; they constituted a check upon each other. Under conditions then existing in England, where the different branches of the legislature represented different classes and were selected in different ways, there was some reason for two houses, but in this country we have but one class and both branches of our legislature represent the same class. There is no excuse whatever for a double-branch legislature.

Opponents of the one-house legislature in our states always claim that two houses are necessary so that one may check upon the other, but when both branches have the same qualifications, are selected by the same people, and have the same jurisdiction, there is no reason or excuse for this checking process. At the close of every legislative session, in every state in the Union,

after these checks and balances are posted, it will be found that the politicians have the checks, and the special interests have the balance.

We think we have two branches to our legislatures, but, as a matter of fact, we have three. There is no such thing as a two-branch legislature, without the third branch coming into the picture. This third branch is the conference committee, and it is the most powerful of the three. A bill must pass through both branches, usually called the senate and the house of representatives, in exactly the same form, word for word, before it can become a law. In cases where the senate and the house disagree upon the wording of any bill, the bill is sent to the third house—the conference committee. This conference committee, composed as a rule of three members from the house and three members from the senate, usually meets in secret. No record is kept of its proceedings. There is no roll call vote. Practically all important bills get into the conference committee, and unless the conference committee reaches an agreement, the bill is dead.

THE CONFERENCE COMMITTEE

There is another thing about this conference committee which people do not understand. It is not an ordinary committee: It does not take up a bill and vote upon disagreements as the ordinary committee would do, and let the majority decide. Instead, the three members from the house control the house vote, and the three members from the senate control the senate vote, and the senate vote and the house vote in this conference committee must be exactly the same. If two of the three members of the conference committee from the senate do not agree, then, by the controlling of the senate vote, they have prevented an agreement of the conference committee. The same rule

applies to the members of the conference committee from the house.

Thus, we see that in vital legislation, in which the people are deeply interested, laws are defeated in secret, without a record vote, and without a roll call vote, by two members of this powerful third house. It often occurs that these two members lay down certain conditions. In order to get any report, these conditions must be agreed to by the other members of the committee, and unless these conditions are agreed to, the bill is dead. In this way, all kinds of jokers get into our laws, and the people are not able to place the responsibility upon the shoulders of those who are responsible for these jokers.

If an agreement is reached in this third house, the bill is reported to the senate and the house. Then the members of the senate and the members of the house must accept the conference bill without a single change or amendment, or it is defeated and must go back to the conference committee, where it will either be killed for good, or other undesirable conditions attached, in order to get any law whatever.

These conditions exist in every legislature in the world composed of two branches. Members of the senate and the house, therefore, when they are compelled to vote upon the adoption of a conference report, must take it as it is or let it alone. They must vote it up or vote it down. They must accept the bad, in order to get the good, or they must reject the good, in order to reject the evil. In a one-house legislature, none of these things can happen, for the very good reason that there is no such thing as a conference committee. There is no such thing as shifting the responsibility from one house to the other or to this third house, known as the conference committee.

One of the necessary things in an efficient state legislature is that it should be impossible under any circumstances or conditions to shift responsibility. The one-house legislature makes it impossible to do this. The two-house legislature offers all sorts of avenues by which the votes of its members can be covered up and by which the parliamentary situation can be so managed that it is practically impossible for an ordinary person to follow a bill in its passage through the maze of parliamentary situations through which such a bill must travel, as it goes through the house, through the senate, through the conference committee, and back again to the house and the senate.

ADVANTAGES OF A SINGLE HOUSE

A one-house legislature simplifies this. It is not necessary for the ordinary person to become an expert parliamentarian in order to know just what the record of his member and every other member of the legislature is. The constitutional amendment providing for a one-house legislature should provide that any one member could demand a roll call vote upon any motion that might be pending. This would make it impossible for responsibility to be shifted. The record of every member would be in the pitiless light of publicity, where even the headlines of the newspapers would plainly convey to the reader the record of the state's public officials.

If it is made impossible for any member of the legislature to shift responsibility or to cover up his vote in any way, and if he is compelled on all occasions to cast his vote upon every proposed amendment and upon every bill without any possibility of concealing it, you have at one step brought about a reform in legislation which will make it impossible for the unworthy legislator to cover

up his tracks, and will likewise make it possible for the loyal public servant to have his record known by all his constituents. It is just as important, if we are to have good government, to reward the public servants who are true, as it is to punish those who are untrue.

Another evil which a one-house legislature will bring to an end is the abolishment to a very great extent of the corrupt lobby which always swarms about the session of every state legislature. The professional lobbyist is able to ply his trade because, through the many opportunities offered by the two-house legislature and the conference committee, he is able to get the parliamentary situation in such shape that it cannot be understood by the people, and, in this way, responsibility is shifted from one house to the other, and from both houses to the conference committee, and there, particularly, the professional lobbyist gets in his work.

He can control this conference committee, if he is able to control two members of the conference committee from the house. Or, if he is not able to do that, then he can accomplish the same end by the control of two members of the conference committee from the senate. If he succeeds in killing legislation there, or if he is able to get jokers put into the bill, the people are unable to fix responsibility, and cannot act intelligently in future elections, in voting either for or against any member of the legislature who is a candidate for reelection.

The members of every one-house legislature should be elected on a non-partisan ballot. One of the evils of the state legislature is that we elect its members on a false issue. The issues dividing the great parties are national issues. The issues involved in the election of a state legislature are never na-

(Continued on Page 99)

Protecting the Taxpayer

Organization and training of citizens needed to maintain good government if the taxpayer is to reap full benefit of the public services for which he pays

EDWARD A. FILENE

President, Wm. Filene's Sons Company, Boston

IT IS often remarked that the American public likes to be robbed. That is absurd. Nobody likes to be robbed. Nobody likes to pay taxes without getting something in return. Yet it often looks as if we *did* like it.

Americans are noted throughout the world for their efficiency; but American city governments are notorious for their inefficiency.

Americans are famous for their scientific management. American cities are notorious for their mismanagement.

The average American citizen is honest and industrious. The average American city reeks with corruption and graft.

Then, once in every blue moon, we elect a reform administration which is often thrown out of office at the following election or, to the consternation of its supporters, remains in office accompanied by the rise of another political machine very similar in pattern to the one which has been so indignantly smashed.

I used to be a reformer—until I reformed—and I used to wonder why this was. It seemed that the forces of evil must outnumber the forces of good. Then I got to studying the facts. I met a theater-owner, for instance, an honest and upright man who asked no favors from the corrupt political machine which dominated his city and was making his taxes almost unbearable; and I

discovered that he was contributing regularly to the campaign fund by which that machine maintained its stranglehold upon him and upon the city.

"If I *don't* do it," he said, "they'll close my theater, and close it legally, for violation of the building code."

"I supposed," I said, "that your theater was the safest theater in town."

"It is," he told me, "but that makes no difference. That building code, which was enacted by the last reform administration, is so ideal that it could not be enforced without tearing down most of the important buildings in the city. No attempt, then, is made to enforce it. It is just held as a club over our heads. All I have to do is to cough up and keep quiet. If I do that, I could still operate my theater, even if it were a fire-trap."

Business men are generally familiar with this technique of graft. Let them do something which offends the machine, and they are not mobbed or beaten up. They may simply be summoned to show cause why they should not be compelled to remove certain signs projecting over the sidewalk, or make some other very costly alterations, as per section so-and-so of some city ordinance of which they have never heard. If they make the alterations required, however, it does no good; for there are always ordinances which can be found, and cases which can be made

out, against any one who happens to be too troublesome or refuses to chip in when the hat is passed.

When the situation becomes unbearable, they may get together to clean up the city's politics. But they do not clean them up. They simply elect a lot of *good* men. Then each business man returns to his business and waits for taxes to come down. But taxes don't come down, and graft continues. Why?

The reform administration undoubtedly wants to please the business interests. It may not take any important steps without first feeling out the sentiment of the chamber of commerce; and prominent in the chamber of commerce are the local utility companies.

The rapid transit company, let us say, wants a higher fare, or, as in some cities, *gets* a higher fare, which only reduces the patronage and creates a deficit, and then asks the *city* to meet this deficit by taxation. What does business, organized in the chamber of commerce, think about such a proposal? And the chamber, often, sees no reason why business should oppose the claim.

The chamber of commerce is perfectly innocent in this—innocent but asleep. When such a deal is put through, however, some politician is certain to wake up. So does every other gang which wants some special privilege.

The public doesn't like to pay higher fares; and if it is going to vote for an administration which makes this necessary, a great many voters must have some special reason for doing so. The gas company has some influence and will support the administration *on certain conditions*. So will the electric interests and real estate interests and other groups. To get enough votes to keep an administration in power, however, will usually require more than this.

What we know as a political boss is just a broker of special privileges. He

doesn't have to be popular. He simply has to know what it will take to keep an administration in office, and where he is most likely to get it. So he passes the hat to the special interests who happen to be interested and proceeds to organize his ward machinery.

THE POLITICIAN AT WORK

Special privileges, he knows, can be maintained only by distributing more special privileges. So he promises jobs to key men in every precinct. These men may be gangsters. They may simply be good fellows, or they may be men with political ambitions, willing to start at the bottom and work their way up. Good or bad, however, each has his special racket, and the price he pays for the privilege of pursuing that racket is loyal support of the machine by which the boss gets his and all the various special interests get theirs.

One curious result of all this is that almost nobody, even among the beneficiaries of the greatest privileges, is exactly pleased with what inevitably happens. The respectable rapid transit interests, engaged as they may be in holding up the city, do not like to be held up by thugs and gangsters, who maintain their position as thugs and gangsters largely through the corruption of the police and the courts. If we are to permit one kind of hold-up, however, we must have votes, including the votes secured by permitting the other kind of hold-up. Eventually, of course, the situation becomes unbearable and the public rebels. But it doesn't get good government. It simply begins a new cycle of misgovernment because it still imagines that it is possible to secure good government simply by electing good men.

Good government cannot be secured that way. To secure good government, we must first have some understanding of what good government is. I offer a

definition. *That government is good which gives the whole public its money's worth.*

It isn't the number of dollars which we have to pay in taxes which makes taxation such a bad bargain for us taxpayers. *It is what we don't get for those taxes*—what the whole public fails to get. If the public has to pay more than it is necessary to pay, either for government itself or for public services under government regulation, it must have that much less to spend for the things which legitimate business has to sell. In the act, then, of sanctioning any special privilege, we business men injure all business, including our own.

ORGANIZATION FOR GOOD GOVERNMENT

If, on the other hand, we organize to eliminate every special privilege, we will automatically have the public with us. For the public wants its money's worth. Labor wants its money's worth. The consumer wants his money's worth. The taxpayer wants his money's worth. And the only way that all can get their money's worth is through seeing to it that no one gets more than his money's worth. Let business once organize for such a program, and the whole graft-ridden public will organize to see the program through.

Even practical politicians will then provide good government, for they will want votes as much as ever, and that will be the only way to get enough votes.

We do not need new organizations. All we need is to place our present or-

ganizations, particularly our business organizations, on a true, fact-finding basis. Every chamber of commerce should be a real laboratory of municipal research; and if such a program should lead to the withdrawal of certain prominent members for a time, the chamber could get along without them much more easily than it can get along without the facts.

Then, of course, it would have to plan for the organization of the government in harmony with the facts. It would have to fight, doubtless, for genuine public service, and furnish votes in support of genuine public service, with the same energy with which the grafters have been fighting and furnishing votes for graft. Right can always prevail over wrong if its army is as well equipped as the army of wrong. The army of right *is sufficiently large* but it needs organization and well trained shock troops who will fight as fearlessly, as determinedly, as cleverly and as *constantly* for good government as the beneficiaries and henchmen of special privilege regularly fight for misgovernment. This will furnish genuine protection to the taxpayer—protecting him not only from unnecessary direct expenses, but from the still worse phases of misrule.

Editor's Note: Radio address delivered January 8, 1935, in the YOU AND YOUR GOVERNMENT series over a nation-wide network of the National Broadcasting Company, under the auspices of the Committee on Civic Education by Radio of the National Advisory Council on Radio in Education and the American Political Science Association, in coöperation with the National Municipal League.

Two tests of practical efficiency may be applied to the government of a city: What does it provide for the people, and what does it cost the people.

JAMES BRYCE.

Making Careers in Government Service

A career service system vitally necessary to the proper administration of government under its present complex set-up

L. D. COFFMAN

President, University of Minnesota

THE American people are manifesting a growing interest in and a deeper concern about the administration of government. They recognize that their government in the course of years has taken on many new functions and added many new responsibilities. As a result it has grown cumbersome and complex and difficult to administer. Originally, government was regarded as an institution designed and maintained for the purpose of exercising police functions, supporting schools, building highways, and promoting the interests of people in many minor ways. More recently, however, it has become an institution for realizing the economic aims of individual citizens. Its influence has ramified into every phase of business; it controls the banks, insurance companies, railroads; it has enacted laws regulating industry, commerce, and agriculture; it has provided gigantic public works and relief programs; it has established new enterprises on a vast scale such as, for example, the Tennessee Valley project.

The budget for the administration of our government now runs into billions. It exceeds the total income of this country a comparatively few years ago.

All the various activities of the government must be administered. Few suspect how many persons there are engaged in public service. The grand total exceeds three and a quarter mil-

lion men and women, not including those employed in the emergency projects of the federal government. These three and a quarter million persons are administering more than one hundred and seventy-five thousand independent units of government, each of which has the power to raise and spend money.

A great number of these men and women are not chosen because of their particular fitness for the offices they hold. It is a well recognized fact that public service is not attracting its fair share of the nation's ablest man-power, in character and general ability. A comparison with other self-governing peoples throughout the world shows that American democracy is falling behind conspicuously in this respect.

Our failure to select persons especially qualified for public service results from a number of conditions and misconceptions to which the American people still cling. For one thing, they have not been able to free themselves from the notion that "to the victor belong the spoils". Our policy when a new party comes into power is to discharge large numbers of incumbents regardless of their merit. This has led someone to say that so far as government is concerned, we are a nation of amateurs. President Jackson declared, in 1829, that the duties of government are "so plain and simple that men of intelligence can qualify themselves for

their performance." While the functions of government may have been plain in his day, they are no longer simple and easy to administer. When government becomes directly concerned with banks, insurance companies, railroads, industry, agriculture, health, education, in fact with nearly everything which in any way touches or affects the life of people generally, then it needs expert service. Unless special knowledge is brought to bear upon the problems relating to the various activities of government, extravagance and inefficiency must increase.

CHARITY AND PATRONAGE

Another of the popular notions prevailing in America is that charity begins on the public payroll. All over the United States men and women are elected or appointed to office or kept on the payroll because they need the job: someone has died, there are twelve children in the family, a leg has been lost, or some other misfortune has befallen them. The employees appointed for these eleemosynary reasons draw the pay while others do the work, or else the work is botched and neglected.

Another assumption is that political parties exist to secure patronage for their constituents. But the truth is, as Theodore Roosevelt once observed, that patronage is the curse of politics. It is the selling-out price of democracy, because of itself it turns the political party into a job brokerage machine, creating a mercenary army of occupation, which, under the guise of democracy, actually robs us of self-government.

These and other catch-phrases describing popular impressions about government personnel account to some extent for our failure to improve it. At the same time a recognition of these popular notions helps to clear the way for a new and constructive approach to the possibility of attracting to public service men and women of capacity and

character. These men and women need to be attracted for several reasons. One is to introduce economy and efficiency. And another is to secure a continuing personnel in the administration of the affairs of government.

The Commission of Inquiry on Public Service Personnel, appointed by the Social Science Research Council with the consent and approval of President Roosevelt, has been making a study of this very matter, in so far as it affects the appointive personnel. It has held hearings in New York, Washington, Richmond, Chicago, Minneapolis, Seattle, San Francisco, Los Angeles, and London. Public officials, civil servants, citizens generally, representatives of business enterprises, university professors, students of government, have given testimony before the commission. One thing has become clear—there is a growing interest in this problem. The time appears to be ripe for the adoption of a career service program for each class and for all kinds of appointive public officials. It is apparent to the members of this commission that some positions must be elective and the office holders directly responsible to the will of the people. On the other hand, some positions which are now elective should be made appointive.

It is not always clear, however, just what is meant by career in public service. By career I mean a life work which one would normally take up in his youth with the expectation of advancement and pursue up to retirement. Career service should be possible in administrative, professional, clerical, skilled and unskilled work. This means that many positions—certainly many positions of an administrative and professional character to which persons are now elected, or appointed for political reasons—should be filled by persons selected because of their special fitness, with a distinct understanding that the

appointments are of a permanent nature. To accomplish this, definite specifications must be set up for recruitment, probation, promotion and retirement of the workers in each class. A career in public service should be possible in the federal government, and in the state and local governments. The selection of career officials should rest solely on merit; tenure should be assured on the basis of growth; transfer must be possible; and provisions for retirement must be introduced so that government can clean out its dead wood.

REQUIREMENTS OF A CAREER SERVICE SYSTEM

The introduction and establishment of a career service system would not be especially difficult. It requires only four things, viz., (1) the enactment of a career service law which makes possible the proper classification of positions; (2) the creation of a public personnel agency in each major jurisdiction to administer the law; (3) the appointment of a qualified director and staff; and (4) continuous support for the maintenance and development of a career service system.

To some extent, parts of this program have already been adopted. Ten states and about 360 municipalities have civil service for certain classes, but even in these instances the political spoilsman has found numerous ways of circumventing the successful operation of the civil service act. Although the people of this country believe in honest, faithful and efficient government, as a matter of fact they do little to obtain and further it. We are more disposed, it appears, to speak disrespectfully, scornfully, in any event critically, of our government. How soon shall we learn that no problems can be solved by calling names?

A career system in the selection of public servants should be related de-

finitely to their education. Those holding the higher and more important positions should be better trained than those holding minor and less important positions. We must free ourselves from the idea that everyone is qualified for every public service. We provide more education in America than is provided by any other people in the world, and yet we make almost no use of it when we come to select persons for public service, Great Britain long ago recognized the importance of this relationship. She selects for administrative posts only the top honor men of Cambridge and Oxford and the other colleges. She gives them fundamental training in the various administrative offices, and when they have demonstrated their ability for administrative work they are given junior secretaryships that carry with them permanency and something more than a mere living salary. No matter how frequently the cabinet may change in England, under or junior secretaries remain on the job. England has not only made use of this plan for the selection of men for the junior secretaryships but she has made a profession out of the position of town clerk. Men of recognized ability, standing and training are chosen. No matter how frequently the city council may change, the town clerk stays. He is the expert in government, who advises the city council as to the procedure it should take in any public matter. Frequently town clerks are invited to go from one city to another because of their demonstrated efficiency. Their careers are permanent careers.

It is not enough, however, for government to fill positions with men of talent and ability and to offer them permanency; it must devise means of stimulating the growth of its employees and of encouraging their aspirations. To fit them into occupational niches is one of the most deadening things it can do.

If the plan which is here outlined in very general terms is followed, there will be developed in each of the larger government units an agency for personnel administration. This agency will have charge of recruitment, promotion, and retirement of employees on each level. The career service will extend to all non-political top positions including in most jurisdictions many posts not now covered by civil service. The vicious practice of evading the merit system through temporary appointments which are continued indefinitely, will be discontinued. Coöperation will be established between the federal personnel administration and the state and local administrations through such devices as the joint use of eligible lists, the joint preparation and conduct of examinations, and the development of technical studies. This plan, if followed to its reasonable conclusion, calls for the inclusion of all postmasterships in the civil service system, of all revenue agents and marshals in the classified service, and for the extension of the merit system to include as far as may be practicable the personnel of the existing federal emergency administrations, boards, and agencies. It would also call for the inclusion of the personnel of state and local government agencies receiving or expending federal funds, as a condition of the grant; for the classification and salary standardization of the federal services outside the District of Columbia; and for the establishment or designation in every governmental department or agency of adequate size, whether federal, state, or local, of a personnel officer, who should in the larger departments be freed of all other responsibilities.

The influence of filling positions on the administrative, professional, clerical, skilled and unskilled labor level by

career people will be felt in many ways, not only in better administration of government, but in toning up the service generally because of the hope of advancement through good work rather than through favoritism. A career plan will permit young men and young women to prepare themselves, realizing that

A summary of the recommendations of the Commission of Inquiry on Public Service Personnel is published on page 114 of this issue of the REVIEW.

they can enter the public service and receive advancement in a fair competitive system. The public servant will have the esteem of the public and the tremendous satisfaction of knowing that in serving the public, good and able service will be rewarded. Patronage will largely disappear and campaigns will tend more to be conducted on issues rather than by the vilification of personalities in the opposing party. A career plan will enable the government to select those who by education and experience are best fitted for public service and it will stimulate the continued growth of public servants. At present no university would advise its graduates to enter the public service in the hope that they would find a career in it; under a career plan, however, all this would be changed and the government would be in a position to obtain the men and women of the finest quality and promise.

Editor's Note: Radio address delivered January 15, 1935, in the YOU AND YOUR GOVERNMENT series over a nation-wide network of the National Broadcasting Company, under the auspices of the Committee on Civic Education by Radio of the National Advisory Council on Radio in Education and the American Political Science Association, in cooperation with the National Municipal League.

What are the Limits of Public Education?

Public school education should be kept within limits of what can be paid for by the taxpayer, says Chicago educator

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To the question raised by the title, if taken literally, there can be but one answer: there are no limits. It is impossible to have too much intelligence and character and sanity in the world. What are the limits of tax-supported public instruction is quite another matter.

The question being thus restated, there are two answers, one based on practical possibilities and the other based on principle—what ought we to do if we had the money?

In these days the first of the two ways of looking at the matter is the compelling one. The limits of tax-supported public instruction are what can be paid for, other public obligations being duly considered, without drying up the sources out of which all revenue arises. There is in effect but one source of revenue, namely the earnings of all the people. The support of the federal government, of the public school system, of all the enterprises of state, county, and local governments comes in the main out of the same bank. People have to choose. They cannot have a public school system supported on the scale to which they have been accustomed and the other things similarly supported at the same time.

That the cost of schools has very greatly increased in the last generation out of all proportion to increase in population and in fiscal resources requires no exposition. People are not so

familiar with the essential analysis of the causes of increase.

The causes are fundamentally in economic changes which have withdrawn several million minors from industry and thrown them into the schools.

Now if the managements of school systems had been prudent, they would have recognized this inescapable upward *extension* into the more costly high school and college levels and conserved their resources to take care of it. But few of them were prudent. Instead of that, they allowed themselves to be guided into ill-considered *expansion* of the curriculum, increasing salaries, erection of elaborate school buildings.

Our tax-supported system rests on no abstract theories of education. It rests rather on the principle that whatever we put into the schools is there, not primarily for individual benefit, and still less to suit the whims of pupils and parents and the special interests of teachers, but because there is a reasonable presumption that it will tend toward the production of enlightened and honorable citizens and members of society. A great deal has crept into our schools which cannot be held to have any such purpose, unless on exceedingly tenuous grounds.

Extravagant school buildings. A schoolhouse is a domicile and not a manufacturing plant. Local pride justifies elaborate buildings on the ground that "our children have a right to the

best." The children have a right to decent, safe, and sanitary housing, so long as they are compelled to go to school or even so long as they are admitted to school, but nothing more.

The center of a new school building is quite likely to be an elaborate gymnasium, justified on grounds of physical education. Now the building up of a sound physique is eminently part of the process of bringing up useful citizens, but that worthy end is often made the excuse for what is in reality an arena for public entertainment.

Preparation for college. Special facilities are frequently supported for the purpose of preparing some pupils for some colleges. That practice goes back to the day when a strong and rather crude middle class found ways to compel taxpayers to pay for getting first its boys and then its girls into college. Prior to that people whose children needed special preparation for college expected to pay for it out of their own pockets. A college career, if taken rightly, is a worthy ambition; but it is mainly individual in import and not social.

Accomplishments. Tradition has kept in our schools a list of subjects which have come down to us from the days when the gentry were looked upon as the only educated class and even from an earlier time when only free men were allowed to study certain "liberal arts". That society became obsolete long ago but its ways survive. The English gentry were expected to study Latin; therefore, one way to become a gentleman is to do likewise. French was the language of the *beau monde*; therefore, the way to sophistication is through the conning of French books. The pattern becomes translated into the ways of a new society. Within a few months I have seen a teacher defending in the public press the long list of "fads and frills" from millinery to journalism and beauty-shop teaching on the ground that

all children should have a "liberal education".

Now, cultivated tastes in literature, music, and the fine arts are distinctly contributions to citizenship and social well-being, but that does not imply that the public schools should attempt to make writers or musicians or artists. On the other hand, the list of "polite accomplishments," whether viewed from the gentry standpoint or from that of the "new era," are not part of the fabric of education at all. Many are delightful but we ought to pay for our delights.

OVERBURDENING THE SCHOOL BUDGET

Let us turn now to sundry activities which are right enough in their way but which do not belong on the budget of the schools because support of them belongs elsewhere.

Relief of the necessitous child. The humanitarian movement which came into its own in the closing decades of the nineteenth century has little by little extended itself into the schools until many local systems provide free or partly free food, special facilities for the care of diseased and crippled children, special clinical facilities. Now, rather than give this up, most of us would prefer to abbreviate the school career for well-to-do and healthy children—if we could. We need do neither.

The moment that schools begin to furnish free service to the necessitous child outside the field of instruction proper it is surprising how many of us become necessitous. The dental clinic begins to reach people who could and should pay for their own dentistry. The penny lunch for illy-nourished children of the poor produces a progeny of elaborate cafeteria services for all children, whose parents or grandparents thought it no hardship to go home to lunch or bring luncheon baskets. But is all this self-supporting? In fact it seldom is anywhere near self-supporting.

The heart of the matter is that there are certain services budgeted to the schools which belong to charities and corrections or else to the individual.

Medical inspection. In the past generation there has grown up an elaborate medical inspection service in many if not most cities. Now specialized medical services for the school related to the requirements of instruction itself are amply within the purview of tax-supported public instruction—if we can pay for them. But the great bulk of medical inspection is public health work and it ought to be budgeted to the health department where it belongs.

Vocational training. About thirty years ago there grew up a great movement for trade training. Nevertheless, the whole high-school development of the nineteenth century and the college-preparatory phase, which began to become established in the '90's, were mainly vocational in their import. The whole movement had to rest on the doctrine that society through the State should provide everybody with a vocation with no cost to the individual.

Now there is evidently no better reason for providing every youth with a trade or a profession wholly or in part at public expense than there is for similarly providing the ambitious young business man with free capital.

So far as professional and pre-professional training leads to sale of serv-

ices on the open market, then the individual is under obligation to finance his own training.

So far as trade training leads into commerce and industry, then the training is part of the cost of production and distribution and the cost should be recovered by commerce and industry in the price charged for services and commodities and not carried by taxation.

The foregoing are merely illustrations of activities which have found their way into the schools and which are evidently outside the proper limits of tax-supported public instruction. They are typical, and merely typical, of a long-continued policy of expansion, in a period during which every energy should have been conserved to take care of inescapable extension of the enrollment.

The average thoughtful citizen, perhaps many professional students of public finance, confronted by the necessity of thinking in the terms suggested by the title to this article, naturally queries whether or not the high schools should not be discontinued or else in principle placed on a tuition basis. That line I think leads us into a blind alley. Under modern industrial conditions we must make up our minds that we must probably school all children between the ages of six and twenty-one. Commerce and industry will not absorb them. The major economics of the situation calls not for restriction, but for revision, consolidation, and improved efficiency.

THE ONE-HOUSE LEGISLATURE

(Continued from Page 89)

tional issues. When a man is elected to the state legislature because he bears the label of a party founded on a national issue, he thus rides into office when his constituents know little or nothing about where he stands on matters that will come before the state legislature. Members of the state legis-

lature should be elected on state issues, and national issues should have nothing whatever to do with the question. Therefore, they should not be elected upon any party ticket or because they give adherence to some particular political party founded upon questions of national import.

Editor's Note: Radio address delivered February 5, 1935, in the YOU AND YOUR GOVERNMENT series.

Future Development of Public Education

Columbia educator claims it is a practical matter to finance a much more extensive educational program than has yet been seen

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THE development of public education, like many other areas of public and private expenditure, has been halted by the depression. The cost of public elementary and secondary schools in 1933-34 was approximately 78 per cent of the amount spent in 1930, the peak year. Outlays for school plants were 29 per cent of those for 1930. Expenditures per child enrolled were 25 per cent lower in 1934 than in 1930. Similar reductions are revealed by the financial statistics of colleges and universities. In 1933-34 receipts of higher educational institutions were 30 per cent below those of 1930.

Are the foregoing figures indicative of a permanent or temporary trend? Must the future development of our public schools and colleges depend solely upon the more efficient use of budgets smaller than those of 1930? Or will future educational development be marked by increases in total expenditures as well as by efforts towards greater efficiency in administration?

In spite of the dangers of prophecy in this uncertain period, this article definitely predicts that the latter of the foregoing alternatives will characterize future educational history. This prediction is based upon two considerations. First, it is financially practical, in an economy such as has been developed in the United States, to expend considerably larger sums for education. Second, the social scene reveals a series

of factors and forces which will inevitably require us to increase educational budgets, in order that this crucial public service may play its proper rôle.

We can afford to expend larger sums for educational purposes if the general well-being demands it, because we already have within our possession the economic instruments necessary to produce the goods and services which will permit this larger expenditure, and without unduly limiting other public and private expenditures. This statement is justified by the findings of several significant economic studies carried on in the past two years. Let us cite the conclusions of one of these, chosen because of the care with which it was conducted and the extremely conservative assumptions lying back of its conclusions. The Institute of Economics of the Brookings Institution recently issued the results of a study concerning "America's Capacity to Produce". Taking into account the capital goods and labor force already in existence, and talking only in terms of the practical realities of the existing pattern of commercial operation, this agency discovered that, instead of living beyond our means in the peak year of 1929, "our economic society lacked almost 20 per cent of living up to its means". We wasted fifteen billion dollars worth of potential productive ability in 1929. This sum was more than five times the total bill for public edu-

cation—kindergarten, elementary, high school, college, and university.

In the face of these facts, it is defeatism of the most discouraging type to maintain that the adequate support of an agency so vitally important to social well-being as public education, represents a threat to economic and social stability. More effective education represents one means whereby society may develop the intelligence to operate an economic system which has the capacity to produce a substantially larger national income than we have as yet enjoyed. Adequate expenditure for this purpose is an investment which promises lucrative dividends. Better schools can and will be paid for, because it is economically practical and socially wise to do so. This brings us to our second point.

REASONS FOR EDUCATION

The industrial revolution has already reached the stage of development in the United States where a series of new factors have been brought into human life, which are of the most profound significance for education. Due to modern technology and the machine, there is a steadily decreasing demand for the services of youth which, only a few generations ago, constituted an important portion of the labor supply. It also appears that the trend toward a shorter working day and week, as it affects the adult population, is a permanent one. At the same time modern life provides infinite opportunities for choices both good and bad on the part of the average man. Our civilization finds itself confronted with the problem of teaching the masses to live good lives as well as to earn good livings.

Out of social factors and forces such as those which have just been illustrated, there will develop a system of public education in the United States during the remainder of this century which will transcend, both in social ef-

fectiveness and financial expenditure, anything yet attempted. The particular characteristics cannot be predicted, but some of its features can be suggested.

The public school system established in this country was created for the avowed purpose of preparing for intelligent participation in government and for improving the economic and social status of the rank and file. The emphasis which Washington, Jefferson, and other founders of the nation placed upon the importance of education for effective political citizenship is too well known to require elaboration. It is sometimes overlooked, however, that the public school system of this country did not come into existence in anything like comprehensive form until after the Jacksonian revolution. Whereas the responsibility of the school in qualifying the masses for the duties of political citizenship was a major consideration in its creation, it is equally true that the masses looked upon the public school as a means whereby they might realize, if not for themselves, at least for their children, that opportunity which was synonymous with the word "America". No less an historian than James Truslow Adams states the situation bluntly in his "Epic of America" when he says: "The educational system, devised by the people, for the people, did not aim at all at training either mind or character, but only at instilling facts useful for making a living".

Whether one considers this an overstatement or not, it clearly suggests that the American public schools were not established solely to train for political citizenship.

In the century since the Jacksonian revolution, the rôle of education has been re-interpreted. It is coming to be looked upon as a social institution which strives to give each individual

the maximum education in equipping him for effective living, both as a social being and as an individual. The further realization of this broader vision of the rôle of the school will require a series of educational developments.

VOCATIONAL TRAINING NEEDED

First, we will recognize that vocational training is a proper function of public education, and we will do a far more effective job in this sphere than has been accomplished to date. The development of a vocational training program should involve a much closer and functional tie-up between industry and the school. It will encompass pre-professional and professional, as well as trade and industrial, training. It will reject the unsound theory that certain vocations, such as medicine, for example, are of individual rather than social importance, and that the cost of training for these should fall upon the individual rather than upon the state. It will be based on the consideration that, while under existing circumstances an individual may selfishly benefit from the training which he receives as a physician, for example, it is also true that it is of primary importance to society as a whole that there be an adequate supply of competent physicians. The lack of a sufficient number of adequately trained persons in certain important occupational and professional fields, and the lack of social purpose which is sometimes revealed by those of advanced technical training, is a logical outcome of an obsolete educational philosophy, which requires the individual to finance his own higher and professional education, and which implies that when he has paid for it he has a right to employ it for his personal, even selfish, advantage.

We shall recognize that it is a matter of primary public concern that an adequate supply of trained workers of all types—agricultural, trade, indus-

trial, and professional—be made available. We shall pay for the training of these workers out of the public purse. We shall expect them, and if necessary require them, to use the training the state has given them in the interest of the general welfare. The fact that some individuals may gain certain social and financial rewards from their occupational activities will be looked upon as incidental to and consistent with the social contribution which they make.

In addition to recognizing the initial training of workers of all types as a proper public function, we shall also make provision for the retraining of those forced from one industry because of technological and other changes characteristic of our dynamic civilization.

The function of the school in providing a liberal education will continue to be a matter of major concern, although the sharp cleavage which is sometimes made between vocational and liberal education will tend to disappear. The development of this phase of education will involve an elimination of much traditional and now obsolete material, which still holds its place due to mental inertia, vested interest, and the doctrine of mental discipline. This will be replaced with material which directly and realistically proceeds to its objective. For example, instead of training children for the wise use of leisure by cramming the *Iliad* down their resisting throats and by exhorting them to have discrimination in their literary tastes, we will provide, through libraries and drama of both the legitimate and screen variety, actual practice in reading, seeing, and enjoying literary and dramatic productions, innately interesting and socially defensible. In short, society will provide genuine entertainment as an accepted phase of a realistic program of public education.

The educational program will also involve fearless and fair study of crucial social problems of our complex and interdependent civilization. We shall look back to the time when respectable educators contended that it is impossible for the public schools and colleges of the nation to deal realistically with controversial economic, political, and social questions as a vestigial hangover from the intolerance of the dark ages. Nothing which is socially vital will be denied genuine educational treatment by the schools of the future.

EDUCATION FOR ALL

Universal education, suited to the needs of groups and individuals, will be provided for youth of all ages and all types from early childhood until such time as proper employment is advisable and obtainable. We will no longer assume that the education of the masses implies the dilution of advanced liberal and professional education. We will no longer accept the doctrine that a modern democracy can be built purely upon the extensive training of the so-called best minds. These ideas stem back to the ideology of a scarcity economy. They assume that society must choose between training the masses or the classes. We have reached the stage of economic development where such a choice is no longer necessary. Such a policy would inevitably lead to Fascism or some similar throwback from democracy to dictatorship.

We shall not be satisfied merely to provide an expanded program of intellectual offerings. Society in the future will not only provide adequate education for youth at public expense, but also such physical care and livelihood as may be necessary. This will be continued until the boy or girl has been equipped for effective occupational life and is able to obtain employment. We have already recognized that it is poor

public policy to permit children to reach maturity in poor physical health for a lack of proper medical and dental services. Special facilities for the physically and mentally handicapped will be further developed. Comparable services will be provided with the needs of normal children in mind.

H. G. Wells in his recent "Autobiography" recounts the series of fortunate accidents which permitted him to escape from a life of frustration which his financial and social position promised him. It is probable that in the United States during this decade, thousands of young men and women are being doomed to live out frustrated lives, because the financial status of their families makes it impossible to obtain the liberal and professional education prerequisite to success in advanced callings. It is only a matter of time until we will recognize the social waste resulting from such a situation. The policy of granting scholarships, already partly developed on the higher education level, will be extended. These scholarships will be paid for at public expense. The time will come when every child will really have an equal opportunity to obtain the amount and kind of education which his capacity and needs require, irrespective of the social and economic standing of his parents.

There will also be an extensive program of adult education. We shall not hesitate to provide public educational facilities of the most diverse character for all types of groups, whether occupational or cultural, when it appears that the common welfare of the nation is enhanced thereby. Just what form this movement will take cannot be predicted with any certainty. Work now in progress in the CCC camps, in the FERA adult classes, and in experimental programs of adult education, such as that now going on in Des Moines, probably represents the beginnings of a compre-

hensive program of post-school and college education.

FUNDAMENTAL CHANGES NEEDED

The types of educational development sketched above imply a series of fundamental changes in educational administration as it affects the recruiting and training of teachers, the construction of curricula, and the development of buildings and other school plant facilities. It is not possible to deal with each of these, but a few words concerning the school plant of the future may be suggestive.

We have only begun the intelligent, long-term planning of school buildings, playgrounds, and similar educational and recreational facilities. The time will come when current criticisms of the amount expended for school buildings will be looked upon as ridiculous. Eventually we will frankly proceed to develop community educational and recreational facilities according to a planned and orderly procedure which will make many present school plants look small and inadequate indeed. Instead of debating whether a gymnasium and auditorium will be included in a school building, the question will be how many gymnasiums and auditoriums are required to provide adequate facilities for athletic, recreational, and cultural activities of the community.

Athletic fields and stadiums will be provided. Many communities will develop extensive recreational plants in the country at some distance from centers of population, as well as those near at hand. Buildings which are substantial, sanitary, and beautiful will be built as a matter of course. The erection of comprehensive educational plants of the type described will be coördinated with an intelligent program of public works, developed in a manner to reduce the amplitude of the swing of economic cycles.

In forecasting the educational development sketched in the foregoing paragraphs, there is no disposition to minimize the numerous practical difficulties which must be overcome before it can be realized. An educational program, commensurate with future social needs, implies that we will be able to release ourselves from the intellectual thralldom carried over from the economy of scarcity from which we are already emerging. It implies that we will be able to summon the courage and to develop the intelligence, through educational means, essential to the effective operation of existing instruments of production and the more effective ones which science and invention are continually providing. It assumes that we will be able to modernize our systems of taxation and methods of fiscal administration, so that they will be fitted to twentieth rather than eighteenth century conditions. It will require that the personnel of all public service be professionalized, at least up to the level of social vision and administrative competence represented in our best managed public school systems. We must also consolidate and simplify the governmental organization and administrative practice through which public enterprises are carried on. The hiatus existing between education and other areas of government will be eliminated either by structural changes in political organization, or perhaps more likely by coördinating devices which will permit coördinated procedure in developing schools, libraries, health services, playgrounds, cultural and recreational facilities, and similar community services. It does not imply any condonation of existing weaknesses either in the purposes of or administrative practices in present-day school systems. It involves no justification of poor planning or inefficient procedure in erecting school

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Douglas County Nebraska Adopts the Manager Plan

Another battle won
in the war on "the
dark continent" of
American politics

WALTER L. PIERPOINT

President, Association of Omaha Taxpayers, Inc.

THE county of Douglas, Nebraska, is small in area compared to the average western county. It runs north and south along the Missouri River for fifteen miles—east and west twenty-five miles. The farming area is intensely cultivated and unexcelled in richness of soil. The population is a quarter million, 90 per cent of which is contained in the city of Omaha. The assessed valuation of real and personal property is 256 million. Omaha is semi-industrial—more so than the average western city. It is a large meat-packing center with over seven thousand employees in this industry. A considerable part of the population was born abroad. Omaha is the metropolis of Nebraska and, of course, Douglas County exceeds in population any other county in the state. I go into this detail because Douglas County is probably the largest metropolitan county east of the Rocky Mountains to adopt the county manager form of government—effective January 1, 1937.

This was done by a vote of the people at the general election, November 6 last, at which a total vote on this question of 74,000 was cast, with a majority of 12,588 and a margin of 3,018 over the required 51 per cent of the total vote cast for governor at the same election.

The 1933 session of the Nebraska legislature passed an enabling act for the county manager form based upon the

model act of the National Municipal League and practically the same with two exceptions: the model law was amended to require a petition signed by 10 per cent of the votes cast for governor at the last general election to put the issue on the ballot instead of 5 per cent; and 51 per cent of the votes cast for governor at the same election for approval instead of 35 per cent, the minimum percentage for passage under our constitution. These amendments were inserted at the instance of the county officers' lobby—it being freely predicted the required 51 per cent could never be secured provided valid signatures of 10 per cent on petitions were obtained. Actually, 13,500 signatures were secured against a necessary 9,500. It is highly creditable to the intelligence of the mass of voters that this issue was carried.

The campaign lasted three weeks. It was based solely on facts and figures and free altogether from personalities—not even the name of a single county officer was mentioned. Thirty-eight radio talks given by leading citizens selected from the several groups and nationalities were written at headquarters. The opposition made a bitter fight but never questioned a figure or statement made by the proponents. A leading supply house said, not in open of course, that their profits would suffer if supplies were bought on a competitive basis.

County officials and their relatives opposed on selfish grounds. Other opposition was based in the main on two statements: "Too much power for one man" and "We don't want a dictator in Douglas County." The campaigners for the manager plan distributed 35,000 pieces of literature but did not man the polls on election day, having previously stated they would not do so. The initial gun in the campaign was fired by the editor of the NATIONAL MUNICIPAL REVIEW, Howard P. Jones, in a public address in our city which was foundational.

It should be stated that the constitution of Nebraska facilitates changes in county government. The constitution makes this brief, basic statement: "The legislature shall provide by law for the election of such county and township officers as may be necessary." Therefore, our county officers and their functions are the creation of the state legislature. Change does not require amendment of the state constitution.

VOTERS NOT SATISFIED

The people of Douglas voted for a change because they were dissatisfied with present conditions. Our county three years ago had a surplus in its levy and non-levy funds of \$1,250,000. On August 10, 1933, the deficit approached \$200,000 and is now nearly \$350,000. Under our law the county makes its levy in August after which it may issue warrants in payment of obligations up to and not exceeding 85 per cent of the anticipated tax revenue from levy. By January 1934 this potentiality was exhausted. After that date invoices had to be written "on the cuff," as one commissioner put it, until the levy was made the following August. Salaries were suspended for a time and later paid out of fees. When August 1934 arrived and the levy was made, warrants for 48 per cent of the entire po-

tential amount for the year were issued in forty-eight hours. Within a few weeks, no further warrants can be issued until August 1935. Bear in mind that these warrants draw 6 per cent interest until paid and that warrants issued now cannot be paid until March 1935 when real estate taxes are delinquent. Interest on county warrants last year was \$60,000. This condition cannot be charged to expenditures for poor relief—due to increases in levy, special poor relief levy, diversion of inheritance taxes to poor relief, savings due to acts of legislature, etc. It is accounted for in the main by waste due to poor management, an excess of employees as well as inefficiency due to the spoils system, poor collection of personal taxes, etc.—faults inherent in our system of county government.

It is but fair to say that in the matter of debt service the financial condition of Douglas County is sound. Our bonded debt is approximately four million with a valuation of 256 million. Our law provides that interest on bonds and money required to retire bonds coming due shall be raised by a separate general property levy and that no money so raised can be diverted to other purposes. Our interest and bond retirement obligations have been promptly met.

The county manager form of government adopted in Douglas County amounts to this: the election of five commissioners in November 1936 who will take office January 1, 1937, when the measure goes into effect. These commissioners will be the policy-determining body. They will select a manager who will in turn name the heads of three departments—public works, public welfare, and finance—and the other employees. The manager will be directly responsible to the board and the board will be responsible to the people. Thus, there will be a simple, direct, and

constant control by the people over the affairs of county government. The manager can be discharged by the board after a public hearing. Any interference on the part of a member of the commission in the appointment of employees makes that commissioner guilty of a misdemeanor and subject to a fine and removal from office. These commissioners will draw \$5.00 a day each when they sit plus traveling expenses or about \$250.00 per year. The present salary is \$2,500 each per year.

MANAGER PLAN ADVANTAGES

What may we expect from the operation of the county manager form of government in Douglas County?

1. A definite placement of responsibility. At present we have five commissioners and nine major elective officers drawing total annual salaries of \$46,100. They are each elected by the people and each is a political equal of the other. They are responsible to the people which means to the public in general and to no one in particular. There is a continual "passing of the buck" from one officer to another in many cases.

2. A uniform and accurate system of accounting throughout our county offices which will form a basis for budgets—these budgets to be determined by absolute needs with funds available rather than just an addition of expenditures of the previous year.

3. Publication from time to time of financial statements of the county in simple, clear, understandable English. This will mean a check on the several departments and assurance that they will operate within their budgets.

4. A central purchasing agent who will buy all supplies on a basis of competitive bidding. At present we have departments buying the same supplies at the same time in the same quantities and paying different prices, and

nearly always a price higher than paid by business houses.

5. Coöperation in the use of employees. At present each department employs on an annual basis the number of employees necessary during the "peak" period. There should be and can be a transfer of employees from one department to another where rush periods do not synchronize.

6. Better collection of taxes. In Douglas County we have two and one-half million dollars outstanding in personal taxes for the past six years. The law says very plainly that distress warrants shall be issued on February 1 after these taxes become delinquent. If this had been done, most of this money would have been collected, justifying a lower levy. As it is, payment of personal taxes is an optional matter and manifestly unfair on the present basis.

7. A short ballot making possible analysis of each candidate and therefore intelligent voting.

8. Selection of employees on a merit basis rather than on a basis of reward for party service and an end to "kicking in" by employees from their pay at primary and election time as well as an end to employees being required to campaign for their superiors. This represents one of the largest wastes we have in government. If employees who are capable feel secure and know that their employment does not depend upon the outcome of an election, they will certainly give better service.

9. The county manager will see the county as a whole—one department in relation to another. He will be able to inform the public as to the actual situation and thus keep the processes of the county government visible.

10. The county manager system should mean an annual saving to us of from \$200,000 to \$300,000 without injury to any essential function of gov-

(Continued on Page 133)

Refunding as a Means of Solving the Municipal Debt Problem

An expert in municipal finance sounds a warning on a current fiscal problem

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IN dealing with the subject above it is desirable, from the standpoint of clarity, to classify or define refunding.

There are two types of refunding to consider in dealing with municipal debt problems and it is important that we distinguish between them. The first type is the sale of bonds in the open market, and the second involves negotiating with the holders of maturing obligations to accept refunding bonds in payment in whole or in part. The latter type is rather commonly referred to as "forced refunding".

REFUNDING BY SALE

This procedure provides for an easing of the debt service burden, but the practice must be guarded against, as a matter of general policy, as the privilege may be easily abused. This is especially true where state legislation opens the door for such refunding, and municipal subdivisions interpret such legislative authority as an endorsement of the general practice instead of providing a form of relief in only those cases where such relief is seriously needed.

I wish to avoid being misunderstood when I say that there are occasions when it is perfectly proper to sell refunding bonds as a means of relieving the municipal debt problem.

Such refunding should be confined, broadly speaking, to the following: (1) To equalize debt service where wide discrepancies exist in maturing obligations

during the next few years; (2) Where excessively heavy expenditures are being provided for emergency needs of a temporary character out of current income normally available for debt service, some refunding may be warranted if it does not unbalance maturities in later years.

Possibly I shall be better understood if I mention the instances where I feel refunding should not be resorted to, as to do so would violate certain fundamental principles.

Refunding should not be employed as a substitute for operating economies, the effect of which is to mislead the taxpayer in thinking that the resulting reduction in the tax levy is due to more efficient operating practices.

It is unsound to refund for the purpose of merely postponing the payment of debt unless such postponement is imperative.

To delay the payment date is no solution of the municipal debt problem as the debt is still outstanding and the cost to the public is increased because of the longer period during which interest must be paid.

Such a procedure violates the principle of serial maturities which has become a well established and approved procedure in municipal borrowing. This principle supports the theory that bonds should be matured during the life of the improvement made possible by the original sale of the bonds.

This, incidentally, is one of the strong security features of municipal bonds which is frequently overlooked. The practice results in a very large amount of municipal indebtedness being paid off each year and a rather rapid improvement in the general debt structure if no new debt is incurred.

FORCED REFUNDING

This procedure occurs where the municipality in question does not enjoy adequate credit to make possible a favorable sale of refunding bonds. As an alternative to default it is unquestionably desirable and a good deal of this type of refunding has occurred where heavy temporary debt was outstanding, particularly in the states of New Jersey and North Carolina. Ohio has also employed this medium because of excessively heavy serial maturities which became very burdensome because of the large amount of bonds which were issued as general obligations, but were payable primarily from special assessment taxes.

In such cases where forced refunding is resorted to it should be recognized by the municipality that the creditor is entitled to full information in order that he may be satisfied as to the fairness of the plan proposed and whether or not he should be asked to sacrifice the receipt of cash payment in order that the taxpayers of the municipality may reap the benefit.

The interest rate which such refunding obligations should bear can be a very difficult question to determine in fairness to all parties. I have been asked on several occasions to give impartial advice and have found in some instances it was far from easy to know just what recommendations to make. The creditor in accepting a refunding bond instead of cash payment, which is his due, is asked to make a real concession in order to assist the municipal-

ity and relieve it from embarrassment. This concession entitles the creditor to at least a fair return on the money which he is continuing to loan to the municipality.

Acceptance of the theory of forced refunding can lead to excessive use if not carefully watched. In some cases it may be the only solution and under such circumstances the procedure is warranted. It should be recognized also that certain forms of temporary debt should not as a matter of principle be funded as no permanent improvements or benefits have been created by them. Where the temporary debt has been built up to such a figure as to make it entirely unmanageable except through a refunding operation, this may be the wise procedure even though certain fundamentals are violated in the process, as it is imperative that the debt be placed in such shape so that it can be reasonably expected that obligations can be met as they mature.

In conclusion, therefore, it can be said that refunding as a means of solving the debt problems of municipalities is justifiable in cases of both public sale and forced exchange, but only with the surrounding qualifications which will avoid: (1) Refunding by public sale except when necessary; (2) Abuse of powers and privileges in forced refunding to the injury of credit.

Finally, it may be of advantage to observe that in the preservation of municipal credit it is essential that a good faith attitude on the part of the municipality be evidenced in all its negotiations with its creditors. This should show a real desire to pay as promptly as possible and to deal equitably with all parties.

Editor's Note: Remarks by Mr. Linen at the panel session on "Problems of Municipal Finance," National Conference on Government, Pittsburgh, November 26, 1934.

The New Status of Zoning In Texas

Texas Supreme Court
upholds comprehensive
zoning ordinance

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DURING the last twenty years the problem of zoning has contributed to the officials of the cities of Texas (and the judges of the state's courts) more than its share of gray hairs. The legal questions surrounding the problem have been up before many courts in a wide variety of actions during the two decades since 1914. Almost uniformly the higher courts have held against the city, though it appears that two 1934 decisions by the Supreme Court will have the effect of letting down the bars for the adoption by any city which is so minded of a broad and inclusive zoning ordinance.

The reasons for the disfavor with which the courts have regarded zoning in the past are not far to seek. The first concerns the matter of the power of the municipality. Before 1913 it was a problem of considerable difficulty to determine precisely what powers had been bestowed upon the city by the legislature. In that year, however, the so-called home rule amendment to the state constitution, which provided that cities of more than five thousand inhabitants might draft new or amend their old charters, was adopted. Shortly thereafter the legislature passed an enabling act which granted to home rule cities very broad and extensive powers. In 1916, the highest criminal tribunal of the state declared, with reference to the powers of home rule cities, that "If the legislature has placed no limita-

tions on the powers of a city to act and (any given ordinance) is inconsistent with no provision of the constitution or the general laws of the state, the power of the city is as general and broad as is the power of the legislature to act." (*LeGois v. State*, 190 S. W. 724.)

Notwithstanding the undoubted intent of the constitution and the legislative body concerning municipal powers, not to mention the interpretation placed on this intent by the Court of Criminal Appeals, the courts found difficulty in upholding the validity of zoning ordinances. It is true that the earlier cases related to ordinances of cities which had not taken advantage of the provisions of the home rule amendment. Some of the later cases, however, involved efforts at zoning by home rule cities. Best known among these, perhaps, is *City of Wichita Falls v. Continental Oil Company*, (5 S. W. 2d 561). In this case the appellate judge certified to the Supreme Court this question: Is the Supreme Court's zoning rule equally applicable to cities which draw their powers from legislative grant and to home rule cities? The question was answered affirmatively. It was clear, therefore, that in so far as the question of municipal powers entered into the determination of the legality of zoning ordinances, the home rule amendment and the enabling act, with their broad

grants of powers, made absolutely no difference in the attitude of the court.

Meanwhile, it is interesting to note, the state legislature coöperated with the cities to the fullest extent, passing more than one law designed to remove what seemed to be the chief statutory difficulties in the way of zoning. Meantime, also, the courts upheld an occasional ordinance which, in the eyes of some, closely resembled the zoning ordinances held invalid. Apparently, then, there was a major obstacle in the way of zoning besides the lack of power on the part of the city to achieve the end sought.

THE CHARACTER OF ORDINANCES

The obstacle in question is readily discovered. It is found in the character of the ordinance itself. The Dallas ordinance, originally called into question in the Spann case (*Spann v. City of Dallas*, 235 S. W. 513), defined a residence district as one in which there were more residences than business houses within three hundred feet of a proposed new structure; and provided that a business building might be constructed in such a district only with the consent of three-fourths of the district's property owners and the approval of the building inspector. The lower courts upheld this ordinance as a valid exercise of the police power. The Supreme Court, however, reasoned that, "If the presence of a store in a residence district of a city is a hurtful thing, so much so as to warrant its proscription by law, certainly it is not rendered less harmful by the fact that three-fourths of the property owners of the immediate area—many of whom may not reside there at all—consent to its presence." On the ground then that the ordinance related rather to esthetic and sentimental considerations than to those of health and safety, the Supreme Court declared it invalid, holding that

it rested upon an illegal and unconstitutional use of the police power. Other points were involved in the case, but this seems to have been the primary one.

A new ordinance of the city of Dallas which professed to remedy the defects of the old was nothing more than a half-hearted attempt to circumvent the major objections voiced by the court to the original ordinance. It likewise was held invalid in a series of cases each of which rested largely on the reasoning and the holding of the Spann case. Moreover, when the city of Wichita Falls attempted to transplant to a new soil the second Dallas ordinance, it found its efforts effectively spiked in the Supreme Court by the Spann case rule, notwithstanding a favorable decision in the Court of Appeals.

Throughout this litigation, which covered a period of more than ten years and included at least half a dozen key cases, the city of Dallas was the chief aggressor, constantly amending its so-called zoning ordinance in an effort to remedy the evils found by the courts. The Court of Civil Appeals on one occasion felt it necessary "because of the persistent attitude of the governmental agencies . . ." of Dallas to advise that city that, if it wished to seize or destroy the property of its citizens without legal cause, it would "be necessary that our state constitution be so amended as to grant such power and authority." (*Gulf Refining Company v. City of Dallas*, 10 S. W. 2d 151).

AN ADEQUATE GRANT OF POWERS AND A COMPREHENSIVE ZONING ORDINANCE

The history of the various piecemeal zoning ordinances and their fate in court thus pointed quite clearly to two inescapable prerequisites to a satisfactory solution of the problem. First, there must be an adequate grant of powers to the city (or a more liberal

interpretation of home rule powers by the court); and second, there must be a more carefully drawn and comprehensive zoning ordinance. The former was secured by a legislative act passed in 1927 which, modelled closely after the *Standard State Zoning Enabling Act* of the Department of Commerce, provides that for the purpose of promoting the health, safety, morals, and general welfare of the community, a municipality may pass a comprehensive zoning ordinance. (Vernon's *Annotated Texas Statutes*, v. 2, Articles 1011a to 1011j).

The city of Dallas, perceiving in the new statute a possible avenue of escape from its long-standing difficulties, proceeded in 1929 to adopt a zoning ordinance in pursuance of the act. On this occasion, as indeed on others in years past, the city was very careful to follow explicitly the provisions of the statute—so careful, indeed, that section 1 of the new ordinance follows almost verbatim the introductory sections of the legislative act. By the terms of the ordinance the city is divided into six use and six area districts. The use class comprises dwelling, apartment, local retail, commercial, first manufacturing, and second manufacturing districts. It will be observed readily, therefore, that the Dallas ordinance is not greatly different from those which have been widely adopted in other states.

THE SUPREME COURT'S NEW ATTITUDE

No sooner had the ordinance gone into effect than it was attacked in the courts. The Court of Civil Appeals, in *Scott v. Champion Building Company* (28 S. W. 2d 178), was called upon to pass on both the legality of the ordinance and the constitutionality of the statute under which it was passed. This it did, citing the Euclid case (*Euclid v. Ambler Realty Company*, 272 U.S. 265) at length and arguing that since there

was a "rational" relationship between the scheme of districts set up and the health, safety, and general welfare of the community, the ordinance was valid. The court insisted that the Spann case and the instant case were not in conflict, inasmuch as the opinion in the former case freely conceded the city's right to exercise the police power in the interest of its citizens, and ruled only that the ordinance in question did not rest upon a legal exercise of that power. The statute of necessity was held good along with the ordinance. The Scott case, decided in 1930, gave a new aspect to zoning in Texas. Unfortunately, however, the last judicial word on the subject was not invoked, since the case did not go to the Supreme Court.

In 1932 the Court of Civil Appeals passed on a case styled *Lombardo v. City of Dallas* (47 S. W. 2d 495), which involved, for present purposes, the same points as the Scott case. Lombardo argued that both the state law of 1927 and the Dallas ordinance enacted thereunder were void, being both in conflict with provisions of both state and federal constitutions. The Court of Appeals made short shrift of the case. It recognized the importance of the problems sought to be dealt with by districting the city; it noted the country-wide approval of zoning ordinances; and it cited the Scott case, accepting its reasoning in whole. In short, it fell into line on the zoning question, holding the ordinance valid as based on a proper exercise of the police power. At about the same time a similar case, by style *McEachern v. Town of Highland Park* (34 S. W. 2d 676), came before the court. The opinion of the court there was so similar to that written in the Lombardo case that the two may be said to be identical; the decision was the same.

It remained for the Supreme Court

to pass finally upon the questions at issue. This it did when on June 30, 1934, it handed down decisions in both the Lombardo and McEachern cases, which had come before it on writ of error. The court wrote a lengthy opinion in the Lombardo case; it merely referred to that opinion in passing on the McEachern case. In both it upheld the Court of Civil Appeals, complimenting it upon its opinion and accepting explicitly the reasoning of that court.

The case *Lombardo v. City of Dallas* involved no points with which the student of zoning is not wholly familiar. It is an extremely important case from the point of view of Texas cities, however, in that it places the courts of the state on record as regards a comprehensive zoning ordinance passed under the authority of an adequate legislative grant of powers. With reference to the

history of zoning litigation in Texas, it must be said that the courts seemingly have been entirely correct in their attitude, particularly as it concerns the ordinances themselves. Certainly it is not difficult to conclude that the ordinance which gave rise to the Spann case and those immediately following it as well did not rest upon a justifiable exercise of the police power. The question of the legality of a comprehensive zoning ordinance came before the Supreme Court for the first time in the Lombardo case, and that tribunal minced no words in placing itself on record: it accepted the doctrine of the Euclid case in whole and in part. Texas cities may now go forward in the pursuit of their planning needs, for they have the promise of as liberal a judicial interpretation of their zoning ordinances as may be found in any jurisdiction.

FUTURE DEVELOPMENT OF EDUCATION

(Continued from Page 104)

buildings and in purchasing school sites. It does not require the acceptance of the practices too often associated in the past with athletic programs and the provision of facilities for them.

There are obstacles which stand in the way of realizing the educational development which has been sketched in this article—but not obstacles which should prove insuperable to practical human intelligence. There are weaknesses, both in the objectives and the administrative practices of present-day schools and colleges. The weaknesses, however, can be overcome by the better trained and increasingly alert teachers and executives who are being recruited for educational service. The narrow police conception of the function of government must be replaced by one which permits the state directly and

realistically to engage in any activity demanded by a broad appraisal of social needs.

It is not within the scope of this article to trace in detail the means whereby the various educational developments which have been forecast will be accomplished. That is another story. Rather, this article is concerned with two fundamental propositions: First, it is economically practical to finance a far more extensive educational program than this country has yet seen. And second, a series of social factors and forces are already operating to bring about a system of education which will transcend in social effectiveness and financial expenditure anything yet attempted. This system of education will be based upon the needs of the twentieth century. It will accept as a legitimate function of schools and colleges any educational activity which a realistic appraisal of social needs seems to justify.

Outlines For New American Personnel Program

Summary of recommendations from "Better Government Personnel," report of the Commission of Inquiry on Public Service Personnel¹

General Recommendations

1. A CAREER SERVICE SYSTEM should be established in the various governmental units, federal, state and local, through the enactment and execution of appropriate laws, or through the development of existing personnel or civil service administration.

2. There should be developed in each of the larger governmental units an agency for the personnel administration, to render constructive personnel service instead of devoting its entire attention to the policing of appointments, as has been all too common under civil service. The personnel agency must have adequate powers, staff, and appropriations to maintain and develop the career service system and render personnel service to the operating departments and their responsible officers.

3. All positions involving any compensation or fees from the public treasury under any unit of government should be designated as falling in one or another of the following categories: (a) the political or major-policy determining group, which would include legislators, elected chief executives, appointed executives of the cabinet or subcabinet grade who are expected to share political responsibility with their chiefs, and in some cases the members of boards and commissions and immediate private

secretaries of such officials; (b) the judges, but not the court employees; (c) the military service; and (d) the general service.

4. The general service should be placed on a career basis through subdivision, first of all, into career services, not into many classes as has been the past American practice. We do not believe that the public service should first be minutely classified into pigeonholes, for which the civil service commission tries to find men who exactly fit each compartment, but rather that the service should be divided into ladders, for which young men are normally selected to start on the bottom rung. These ladders must rise from different points depending upon the kinds of service, and an opportunity must be provided for advance at different rates of speed and for transfer from one ladder to another.

5. The career service should extend to all the non-political top positions, including many posts not now covered by civil service in most jurisdictions. The tops of the ladders would thus reach posts of real eminence and honor.

6. The major classification of the general public service should be along the following lines: first, the administrative service; second, the professional and technical service; third, the clerical service; fourth, the skilled and trades service; and fifth, the unskilled service.

7. With the establishment of these career services on the basis of competi-

¹Published by McGraw-Hill Publishing Company, New York, 1935.

tive entrance, and advancement on merit, the salaries of the top positions should be materially advanced, and adequate retirement provisions should be made for each group.

8. Recruitment to each one of the career services should be articulated with the American educational system and with the average age levels of young men and women who have reached the stage of education and development fitting them for the lower grades of the various services.

9. Certification by accredited professional associations and by legally established professional bodies should be made a prerequisite for all professional and technical positions to which this procedure is applicable.

10. Probation must be developed and utilized as a most important part of the selection process, and not neglected as at present in practically all jurisdictions. A probationary period of service of not less than six months should elapse before an appointment becomes in any way permanent.

11. The vicious practice of evading the merit system through temporary appointments which are continued indefinitely must be prevented by stricter legislation and control.

12. The system of promotion is fundamental for the maintenance of a career service; it should therefore be a first duty of personnel officers, and of general administrators as well, to develop contacts between superior officers and subordinates, to encourage training in the service, to maintain service records, and to facilitate transfers, particularly during the early stages of a man's career, so that every employee may have a chance to advance, so that men of special capacity may be discovered promptly, and so that the petrification of personnel in stagnant and forgotten places may be prevented.

13. Public employees should be given security against dismissal or demotion for trivial, personal, religious, racial, political, or other arbitrary or extraneous reasons. Legislation thus guaranteeing tenure should not be enacted except in conjunction with (a) a system of recruitment, appointment, and probation which will insure the appointment of thoroughly capable persons only; (b) periodic service records with a procedure for transfer, adjustment, and reduction in pay with reduction of service; (c) the pensioning of superannuated employees; and (d) an adequate administrative procedure for discipline or discharge from the service.

14. Those who devote their lives to the public service deserve an honorable pension when the time comes for them to step aside from the arduous duties of government work, and relinquish their posts to the oncoming group. A financially sound pension system, based on contributions by the public and the employee, should be established to cover every permanent position, with provisions for the transfer of credits with the transfer of the employee from jurisdiction to jurisdiction.

15. Coöperation should be established between the federal personnel administration and the state and local administrations through such measures as the joint use of eligible lists, the joint preparation and conduct of examinations, and the development of technical studies.

16. In the states similar coöperation should be established as between the state and the local personnel agencies, and there should be developed, either by the state or by the leagues of local governments, central technical services available to the units of government which cannot maintain complete personnel agencies of their own. The larger local government agencies should also be empowered to render personnel ser-

vice at cost on a contractual basis to nearby smaller units of government.

17. The short ballot which we have always had in the federal government should be adopted also in states and local units.

18. Uneconomic and unworkable small units of local government must be modernized through consolidation of boundaries and positions, the establishment of joint services, and the use of central technical assistance particularly in maintaining personnel. In order that there may be careers in local government service, with promotion from city to city or county to county, local residence requirements should be abolished.

19. Public personnel officers throughout the United States should through their national association undertake far more extensive research in the technical problems of personnel administration, wherever possible in coöperation with qualified specialists in private business and in the universities.

Specific Recommendations

1. The immediate repeal of all national, state, or local laws or ordinances, such as the federal "Four Year Law" adopted in 1820, setting a definite term of office for appointive administrative officials.

2. The inclusion of all postmaster-ships in the civil service system and their recruitment primarily by promotion.

3. The inclusion of federal deputy collectors of internal revenue and marshals in the classified service.

4. The extension of the federal civil service classification to include under the merit system such professional and skilled services of the regular departments as are now excepted.

5. The immediate extension of the federal civil service system to include as far as may be practicable the personnel

of the existing federal emergency administrations, boards, and agencies.

6. The extension of the merit system under the supervision of the United States Civil Service Commission, wherever practicable, to the personnel of state and local government agencies receiving or expending federal funds, as a condition of the grant, with the power to utilize existing local civil service agencies which are able and willing to meet standards set by the United States Civil Service Commission.

7. The extension of classification and salary standardization to the federal services outside the District of Columbia.

8. The amendment of veteran preference laws so that they will adequately recognize the war service experience of veterans without conflicting with merit principles or the efficiency of the public service.

9. The immediate repeal of section 213 of the economy Act of 1932, which requires the discharge of one member of a married couple when both are employed in the federal service.

10. The repeal or amendment of all general provisions prescribing residence requirements or geographic apportionment of appointments.

11. The immediate establishment or designation in every governmental department or agency of adequate size, whether federal, state, or local, of a personnel officer, who should in the larger departments be freed of all other responsibilities.

12. The increase of the appropriations for personnel administration and the Civil Service Commission in the federal government and in state and local governments where this is necessary for the adequate maintenance of the merit system, as a step toward the ultimate development of a career service.



NEWS OF THE MONTH

NOTES AND EVENTS

Edited by H. M. Olmsted

Massachusetts Supreme Court Protects Public Amenities in Billboard Decision.—

The decision of the Supreme Court of Massachusetts in the "Massachusetts billboard cases" (*General Outdoor Advertising Company, Inc., and others vs. Department of Public Works*) on January 10, after nearly ten years of litigation, makes that case not only the leading billboard case in the country, but also the leading case on the protection of public amenity under the police power.¹

Fifteen cases were decided, involving the general restrictions of the state department of public works, somewhat more onerous restrictions of the town of Concord, and the refusal of the department to renew the permit for the conspicuous Chevrolet roof-sign which overlooks and disfigures Boston Common and the State House, the latter refusal being based wholly on considerations of "taste and fitness." The regulations and the public authorities are sustained in every particular.

In barest outline the decision covers the following points, among others: (1) The billboard companies may be compelled to relocate their boards in accordance with the regulations, in spite of the expense, without compensation. (2) The billboard business is in a class by itself and may be regulated as such under the police power. (3) One basis for its regulation is the safety of travelers. There is danger both from obstruction of

view and distraction of attention. Inattention causes accidents. Billboards cause inattention. (4) The regulations are also legal in that they are designed to protect travelers from the annoyance of commercial propaganda. The traveler has a right "to a peaceful and unannoyed journey." (5) Scenic beauty contributes a highly important factor to the welfare of the state; "to preserve such landscape from defacement promotes the public welfare and is a public purpose." To this end advertising on private property within public view may be controlled. Even if the regulations "did not rest upon the safety of public travel and the promotion of comfort for travelers, we think that the preservation of scenic beauty and places of historical interest would be a support for them. Considerations of taste and fitness may be a proper basis for action in granting and denying permits for advertising devices." (6) In a town of the character of Concord the restrictions may legitimately include and apply to business districts as well as to the others, without special exceptions or special concessions to the billboard business in business districts. (7) The sign overlooking Boston Common may be refused a permit upon the sole ground that it is "an inappropriate and obnoxious intrusion into that locality", without regard to considerations of safety, health, or morals. Considerations of "taste and fitness" are sufficient to exclude. (8) The effect of the 1918 amendment to the Massachusetts constitution was to overrule a decision of the Supreme Court in 1905 limiting the police power of the state in its control over outdoor advertising. The police power over this subject is now complete. (9) The regulations in question are also wholly in accord with the federal constitution.

ALBERT S. BARD

¹NATIONAL MUNICIPAL REVIEW, Vol. XX, No. 8, August 1931 contained an article on the master's report in these cases. The present decision confirms both that report and a later supplemental report.

Michigan's Experience with Permanent Registration.—Permanent registration of voters has had a year's trial in the state of Michigan and has been found economical, according to a report made recently by the Michigan Municipal League. Sixty-two per cent of the voting population are already covered by the new system, which is in effect in 128 local units of Michigan government. It cost the 128 units \$251,751—about 20 cents per capita—to install the new system of voting. More than a third of this amount went for the purchase of equipment.

Approximately thirty states of this country now have permanent registration laws applying to all or a number of their cities, it is announced by the Public Administration Clearing House. Among those most recently adopting legislation in addition to Michigan are Washington, Ohio, California, Iowa, and Kentucky.

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West Hartford Votes to Draft City Manager Charter.—Proponents of the city manager plan in West Hartford, Connecticut, were victorious in their first skirmish in efforts to secure city manager government in a referendum late in January, when three questions were submitted to the voters.

A special committee of the town council has been busy for the past months in drafting a charter to be submitted to the legislature. The questions submitted at this time, all carried favorably by comfortable majorities, were: (1) Do you favor a strong town manager form of government? (2) Do you favor a nonpartisan town council? (3) Do you favor a town council of seven members, one from each of the five voting districts and two at large, as approved by the special survey committee?

The next step is for the legislative committee of the council to draft a complete charter, Mr. D. Hayes Murphy, active in the campaign, informs us. The draft will then be submitted to the state legislature for approval, and resubmitted to the electors of West Hartford for adoption. Professor C. C. Hormell of Bowdoin College was technical adviser to the survey commission drafting the charter

which will be the basis of the forthcoming legislation.

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Planning Officials Organize.—The American Society of Planning Officials was organized in Chicago last month, its purposes including the exchange of information and the improvement of administrative standards and practices in land and community planning, and other service to the increasing body of national, state, regional and local planning agencies and their staffs and consultants. The society takes its place among the sixteen other associations of public officials having headquarters at 850 East Fifty-eighth Street, Chicago.

Officers are: president, Alfred Bettman, Cincinnati, president of the National Conference on City Planning and regional director of the National Resources Board; vice-president, Morton L. Wallerstein, Richmond, Va., chairman of the Virginia State Planning Board; treasurer, Charles S. Ascher, secretary of Public Administration Clearing House, Chicago. Walter H. Blucher, secretary of the Detroit City Planning Commission, has been elected executive director.

"The society recognizes the excellent work which has been done by citizen groups such as the American Civic Association and the National Conference on City Planning in stimulating public interest in planning," says Mr. Blucher, in announcing formation of the new organization. "It intends in every way to coöperate with such agencies."

Among important incentives for the formation of this organization Mr. Blucher mentions the work of the National Resources Board, which has resulted in the creation of forty-two state planning boards and has stimulated large scale land use planning and fresh consideration of the complex problem of finding the best use from a social and economic standpoint of our natural resources; while the prospect of a greatly enlarged public works program makes careful and comprehensive urban planning more urgent than ever before, if the tremendous sums suggested are to be spent wisely.

Municipal Engineers and Public Works Officials Establish Joint Secretariat.—

The American Society of Municipal Engineers and the International Association of Public Works Officials have set up a joint secretariat in Chicago, to be administered by a joint board of four members from each organization. Donald C. Stone will be executive director. It was announced that funds have been granted the two organizations which enable them to make available to member municipal engineers and public works officials a clearing house of information on their current problems and to perform various other services to aid them in rendering municipal service. Local, state, and regional chapters to encourage coöperation of public works officials within such areas will be fostered by the association.

The first joint annual conference of the members of the two societies, which have a total membership of one thousand, will be held in Cincinnati next October.

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To Investigate Fire Insurance Ratings.

—An investigation of the system of grading cities used by the National Board of Fire Underwriters in fixing basic fire insurance rates, to determine whether the system forces cities to maintain unnecessarily elaborate and extensive fire fighting equipment, under threat of higher insurance rates if the city's classification is changed by the board, will be made by a special committee of the Governmental Research Association.

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Planning Board of State Governments Meets.—

The first meeting of the Planning Board of the Council of State Governments, which was recently organized by the American Legislators' Association, met in Washington on January 18 and 19 to draft practical plans for interstate coöperation. Members of the planning board include governors, legislators, and other state officials. This meeting was jointly with the managing board of the association and the Interstate Commission on Conflicting Taxation.

Henry W. Toll, executive director of the association, stated that the council, which is headed by Ex-Governor John G. Winant of New Hampshire, is engaged upon a project which is designed to bring about more effective coöperation of the various associations

of state officials, of which groups there are now sixty.

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Federal vs. Local Relief.—According to Harry L. Hopkins, Federal Emergency Relief Administrator, state and local funds spent for emergency unemployment relief in 1934 were very considerably greater than in 1933, this being contrary to the impression in some quarters that states and local governments had relaxed their efforts to provide their share of financing. For the first ten months of 1934, the increase in such state and local expenditures was 28.3 per cent over the same period of 1933, and is said to constitute without doubt the largest financial contribution ever made by state and local governments for relief of the unemployed. The total amount of these expenditures for the ten months was \$323,890,560. Mr. Hopkins attributes the increase to agreements made between the FERA and the governments of the various states for greater financial coöperation between the states and federal government in meeting the costs of relief, these agreements being made possible by the discretionary powers vested by Congress in the FERA.

The new policy of the federal government in accepting responsibility for providing work for employable persons, leaving the responsibility for unemployables to the states or localities—this division of the relief rolls being one which has been advocated by the United States Conference of Mayors and the American Municipal Association—should stimulate the work programs of local governments, as they will constitute one of the most readily available means to provide extensive employment with federal aid.

Slum clearance and low-cost housing are expected to play a large part in the general program for employment, as well as street improvements, sewers, water works, and other municipal projects the cost of which can be recouped otherwise than through general taxation.

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City and County Managers Total 451.—

With the adoption of the council manager form of government in 1934 by four cities (Schenectady, N. Y., Clifton, N. J., Toledo and Washington Courthouse, Ohio), and one county (Douglas County, Neb.) in the United

States, one city in Canada (Mount Royal, Quebec), and one in Ireland (Limerick), the total number of city and county managers reached the total of 451, six of these being county managers. The great majority of such governments—432—is in the United States, but they are found in New Zealand and India in addition to Canada and Ireland. Experience with the plan now amounts to twenty-seven years, Staunton, Va., having adopted it first in January 1908.

According to a report of the International City Managers' Association, council-manager enabling legislation will be introduced in at least five state legislatures—Illinois, Indiana, Nevada, Pennsylvania, and Washington—in 1935. Campaigns for the adoption of the manager plan are now under way in twenty-five cities, including Pittsburgh and Syracuse. Of the eleven cities voting during 1934 on the question of abandoning the manager plan, all decided to retain it excepting Fall River, Mass., where the mayor-council form replaced it by a rather inconclusive vote. At the election of November 6, 13,864 votes favored the change, 10,150 were for retaining the manager plan, and 10,339 other ballots were unmarked as to this question. The recent manager of the city has been elected mayor under the new plan.

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Connecticut Tax Commission Reports.—

Extensive revision of state laws governing municipal finance is recommended by the Special Tax Commission of Connecticut, which has just submitted a report after a survey of tax problems in the state. The Commission recommends to the legislature, which met in January:

1. A uniform fiscal year to be established for all cities and towns.

2. Cities and towns to be placed on a cash basis and the tax calendar revised so that they will no longer have to borrow in anticipation of current tax collections. To accomplish this, it is proposed that municipalities fund their current short-term indebtedness by issuing ten-year serial bonds on which the state will pay the interest charges and guarantee the principal.

3. Uniform local budget-making procedure, under state laws.

4. An adequate system of municipal accounting, auditing and reporting.

5. Local governments to be prohibited from issuing bonds in excess of an amount equal to their total property tax collections of the three preceding years, instead of the debt limit being determined by the total property assessment.

6. Property tax administration to be improved by providing appointed assessors, by abolishing local boards of tax relief, by introducing a state board of tax appeals and by providing for a more direct and definite procedure for property tax collection.

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New York City Charter Commission.—

Mayor F. H. LaGuardia of New York City announced on January 12 the personnel of the new charter commission of that city, which was authorized last summer by the state legislature after the former commission, which had been named by the legislature, lost several of its most important members by resignation due to fundamental disagreements on the importance to be accorded the five boroughs—also constituting counties—which make up the city (see *NATIONAL MUNICIPAL REVIEW* for September 1934, page 477). The old commission consisted of thirty members, while the new one is a compact body of nine. None of the members of the old commission were appointed to the new one. The latter is headed by Thomas D. Thacher, former solicitor general of the United States, and also includes S. John Block, attorney; Mrs. William P. Earle, Jr., executive secretary of the Women's City Club of New York; Frederick L. Hackenbush, former assemblyman; Charles Evans Hughes, Jr., former solicitor general; Joseph D. McGoldrick, former city comptroller; Thomas I. Parkinson, president of a life insurance company; Joseph M. Proskauer, former appellate judge; and Chas. G. Meyer, real estate. The commission includes Republicans, Democrats and one Socialist, none of them, however, being considered as having close party affiliations. Mayor LaGuardia announced that the commission would have a free hand and ample funds for expenses, including salaries for secretary, counsel, etc. The members themselves are unpaid. Several are recognized authorities on governmental matters.

The commission held its first meeting on January 14, and announced that it would start a series of public hearings on February

18. It is hoped that the commission's charter may be ready for submission to the voters in the November election, but it may be necessary to hold a special election, thereafter, for that purpose.

*

Pre-Session Aid to Legislatures.—The New York state legislature now in session has the benefit of suggestions for the improvement of legal procedure drafted prior to the session by a special judicial council consisting of the chief judge of the Court of Appeals, two lawyers from each judicial district, the presiding justices of the Appellate Divisions of the Supreme Court, the chairmen of the judiciary committees of the legislature and two other citizens.

In New Mexico sixteen committees appointed by the governor to compile information on legislative problems reported results of their study in December to a central legal advisory and bill-drafting committee, the resultant bills to be introduced as administration measures before the legislature in January.

These are variations from the pre-session conferences which were arranged by the American Legislators' Association in various states.

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Debt Refunding in Detroit and Toledo.—The \$300,000,000 debt refunding plan of Detroit, Michigan, which went into effect in April 1933 after the city found itself without means of caring for its bonded debt, was completed in November 1934, and the last of the scrip that had been issued to pay current bills was retired. The new bonds rose in price in a short period from 36 to 90. Incidentally a modern tax-billing system was installed in the city treasurer's office, and the tax record and accounting system was revised to facilitate knowledge of the city's cash position. A new office of financial director, to advise the mayor in budget preparation, was recently created.

Toledo, Ohio, has a bond refunding program under way, and is giving close attention to methods of reducing current costs without curtailing services. After an intensive study of every municipal department, the city's Commission of Publicity and Efficiency recommends balancing the budget, now short \$600,000, by reductions in salary and personnel, and by certain improvements in or-

ganization and procedure, which would result eventually in permanent economies.

Other cities now working out bond refunding programs are Asheville, N. C., Akron, Ohio, Pontiac, Mich., St. Petersburg, Fla., and Atlantic City, N. J.

COUNTY AND TOWNSHIP GOVERNMENT

Edited by Paul W. Wager

New York County Home Rule Amendment to be Submitted to Electorate.—The Fearon bill, amending the New York State constitution to permit county reorganization, passed by last summer's special session of the legislature, was similarly approved by the present legislature, and may now be submitted to the voters at the fall election this year.

The amendment provides, for counties outside of New York City, that the legislature may make changes in the form of county government not now permissible, subject to ratification of the people with a favorable majority in any municipality containing more than a quarter of the county's population and also in the county outside such municipalities. Except that there must be an elective legislative body, officers now elective may be made appointive, or offices may be abolished altogether. Reallocation of governmental functions within the county among the various units of governments is permitted, as well as the abolition of local units whose functions are all transferred.

For the five counties of New York City, power is provided to abolish county offices except the courts, district attorneys, and county clerks, and to transfer any or all of their functions to appropriate city offices.

The former provisions of the bill are mainly those recommended by the Mastick Commission in its 1933 report on local government in the state, while the latter are those recommended last summer by the New York City Charter Commission.

WADE S. SMITH

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South Carolina—County Fee System Abolished.—In the recent election the voters of South Carolina approved five state-wide constitutional amendments which were sub-

mitted by the last session of the general assembly. Under the constitution of 1895 the general assembly was prohibited from fixing the amount or manner of compensation to be paid county officers except that laws could be so made as to grade the compensation in proportion to the population and necessary service required.

The section above was repealed and the general assembly was empowered to enact special laws fixing the compensation to be paid county officers, and providing for payment into the county treasuries of all fees collected by county officers.

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Missouri—Shifting Relief Expenses to State.—Governor Guy B. Park in his message of January 2, 1935, to the Fifty-eighth General Assembly of Missouri recommended that the state relieve the counties of half of the expense of indigent insane patients in state hospitals. His suggestion meets half-way the growing demand of county officials, welfare workers, and rural legislators for the state to assume the entire burden of indigent patients in state institutions.

In 1933 a bill transferring all county insane expenses to the state was passed by large majorities in both houses, but vetoed by Governor Park for lack of state funds. He now proposes to pay half the expense, \$743,580 per year, out of additional revenue, estimated at \$4,000,000 to \$6,000,000, to be secured by doubling the state sales tax. The present rate is one-half of one per cent. If additional funds are made available, it seems certain that at least part of this expense will be shifted to the state.

The Governor apparently believes that the counties should share the responsibility. No doubt his plan would prevent county courts (i.e. Missouri county boards) from dumping indigent patients on the state by declaring them insane. This would reduce county expenditures for indoor and outdoor relief.

Shifting insane costs to the state should have a wholesome effect on county budgets. The financial condition of some counties has become so desperate that the insane are being kept in the county homes, often under deplorable conditions. Even before the depres-

sion, the poorer counties frequently found it difficult to meet the mandatory expenses of local government. Only rarely could such a county undertake any optional activities. A reduction of \$3,000 or \$4,000 in their mandatory expenses will be gratefully received.

Shifting of this expense should also create more friendly county-state relations. These relations have been somewhat strained since the enactment in 1933 of the county budget law. Its provisions applying to the 109 counties of less than 50,000 population gives insane costs priority over all other expenditures. This guarantees that the state will receive its money from the counties, though the state itself is unable to pay its obligations and grants-in-aid to counties and local school districts.

Many people are also hoping that part of the cost of indoor and outdoor relief may be shifted to the state in the form of old-age pensions, as authorized in 1932 by a constitutional amendment. No law has been enacted to carry out the provisions of the amendment. And now, the Governor suggests that the legislature wait until Congress considers the subject.

The Missouri Association for Social Welfare is sponsoring two important bills. One would consolidate various state welfare, correctional, and penal agencies in a state department of public welfare, and give this department supervisory authority over county welfare activities. The other bill would make optional in any county the appointment of a county board of public welfare. Even a guess as to the fate of these two bills would be hazardous.

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Montana — State Tax Conference.—County government occupied a prominent place on the program of the state tax conference held in Helena on December 17 and 18. The purpose of the conference was to bring together interested taxpayers representing all important groups in the state to discuss tax problems and to formulate a program for legislative action. Between 200 and 300 representatives from 40 of the 56 counties of the state attended the two-day conference. While state, county, city, and school district financial conditions were discussed and improve-

ments in each suggested, the county government improvement program was the main feature and brought forth hotly contested debates.

The program advanced to improve Montana county government included the following: (1) Reduction of costs and increased efficiency of county bookkeeping and recording by securing simplified forms, changing administrative rules and removing certain legal objections; (2) A home rule charter bill providing for a more flexible form of county government but involving the essential principles of centralized directorship and coordination such as that contained in the present Montana county manager law; (3) Improved efficiency of county officials or employees by reducing the number of elective officials, raising the qualification standard, and extending the term of office or employment; and (4) County consolidation, reducing the number of counties from 56 to 28 or 29. This last proposal brought forth hot debate especially from representatives of the smaller counties. A consolidation bill will be presented to the legislature which will be a referendum measure to be submitted at the 1936 general election. It will designate the new boundaries of the counties and will provide that whenever, after the act takes effect, the taxable value of any county falls below \$5,000,000, such county must be consolidated with some adjoining county or counties. While it is questionable if such bill will pass at this time, it does call attention of the public to present conditions in county government, and will undoubtedly stimulate county officers and legislators to make certain reforms which will at least partially remove some of the chief weaknesses.

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Oregon—The County as the Unit of School Administration.—Two important proposals affecting county government are before the Oregon legislature which began work the middle of January. The first is a proposal to extend the county unit system of school administration to all counties in the state. Heretofore the unification of school management under one county school board and administrative staff has been left to local option. A permissive law providing for uni-

fied school administration has been in existence since 1921, but until the depression came it received little favorable consideration. Amended in 1933, it now permits both high and elementary school functions to be unified under one county board of five members, except in the case of cities having at least one thousand children of school age, which are permitted to operate as separate districts. There are now five counties operating under the unified system. It is alleged that this plan has saved the educational services in the more remote sections of those counties from catastrophe during the last four years.

At any rate the special educational committee appointed by Governor Meier has recently published its conclusions that the county unit system ought to be extended to all the counties. The same view has been recommended by the legislative committee of the Oregon State Teachers' Association; and this recommendation was adopted by the governing body of that association without a dissenting vote. As proposed by the latter body any county not affirmatively rejecting the county unit system by popular vote prior to August 1, 1937, would automatically come under the county unit system.

To Consolidate Welfare Activities.—The second proposal dealing with the functions of county government is embedded in the report of the Governor's interim commission on public health and welfare. This body proposes a revolution in the machinery for handling welfare functions, on both the state and county level. It would consolidate all welfare activities under one commission, which would employ a director to take charge of the administrative tasks. Without indicating here what this means in altering the state administrative pattern, it should be noted that the scheme would centralize many of the tasks of caring for dependents, which are now exercised by county courts and county welfare workers, under the proposed state welfare commission. These tasks would in part be exercised through county or district (two or more counties) welfare departments. Over the latter the state body would exercise great influence through its power to appoint three of the seven members of the county or district board, through its right to approve the selection of the administrative director of the local board; and through its power to with-

hold grants-in-aid of local welfare activities unless the local welfare department carried on its work with due regard to the standards of personnel, service, and relief set up by the state commission.

This proposal means, if adopted, an end to the anarchic situation which now prevails in the policies underlying the adoption of dependent children which are now as diverse and peculiar as there are different county courts. It means that the control over the many state subsidized private child-caring institutions will be greatly strengthened and ought to result in more skilful attention to their physical and psychic well-being and less emphasis upon sectarian soul-saving. There are many other alterations of policy implicit in the plan and it will doubtless meet with stubborn resistance from the many state and county officials and private institutions that feel their vested interests threatened. Despite the fact that the "brains trust" selected by Governor-elect Martin as a planning agency has endorsed the new welfare scheme, it will have heavy sledding before it gets through the legislature.

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Arkansas—Initiated County Salary Acts Successful.—The "voice of the people" spoke convincingly in the November 1934 general election when fifteen of Arkansas' seventy-five counties adopted locally (i.e., county) initiated salary acts affecting all county officials. Although initiative petitions were circulated in more than thirty counties, technicalities and insufficient signatures prevented all but twenty-two counties from voting on the proposals. (See this REVIEW, September 1934). Widespread interest was developed during the campaign conducted to control salaries of county officers. The fortunate outcome at the polls clears the way for introduction of a general or state-wide salary act during the present (1935) session of the general assembly. During the 1933 legislative session political opposition caused the defeat of a bill designed to curb expenses of county government through salary regulation.

County officials, it is thought, led the lively opposition to the initiated laws. By resorting to the courts, opponents succeeded in killing the proposals in ten counties before they could be brought to a vote. Insufficiency of

petitions and invalidity of signatures attached to petitions were the chief reasons for the premature death of the proposals.

Opponents of the initiated measures can be thanked for unearthing several serious defects in laws governing the administration of this modified form of home rule. Chief among defects pointed out are the following: (1) The constitutional provision governing county initiative and referendum measures provides that they shall be filed with one county official while a subsequent general law requires that they shall be filed with a different official; (2) state law does not specify the precise form of the title to be used in initiating county legislation; (3) state law does not explicitly cover the subject of publication of county initiated measures before they are placed on the ballot. These defects brought about confusion and litigation. The state chamber of commerce is taking the lead in a movement to clarify these issues by obtaining passage of a workable enabling act during the 1935 legislative session. In drafting the proposed act the experience of last year has been profitable.

Savings in counties adopting the salary acts are estimated to be between \$5,000 annually in some counties to \$60,000 annually in others. If all counties in the state adopted similar acts, estimated annual savings would amount to \$1,000,000.

Perhaps the chief significance of the initiative salary act movement is not so much in the possible resulting economies as it is in the aroused public sentiment in favor of "doing something" about county government. The move must be regarded as a progressive development in Arkansas although it is anticipated that several law suits will grow out of acts adopted in 1934.

County Consolidation.—Early in December (1934) the Arkansas State Real Estate Association appointed a committee on county consolidation. Meeting in Little Rock, December 20, the committee considered recommending that the legislature authorize the Governor to appoint an official county government survey commission empowered to investigate the possibilities of merging Arkansas counties and also to examine county administration in general.

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New Jersey—Report of Commission on Local Government Planning.—The Commission on Local Government Planning headed by Thomas N. McCarter submitted a very pessimistic report to the legislature at the special session of December 17. This committee had been engaged in a study of the possibilities of the consolidation of some of the 464 municipalities and twenty-one counties of the state. The response to the efforts of the committee was indeed discouraging. Only thirty-eight replies were received to a questionnaire sent to the 485 municipalities. School districts were not included in the list.

The commission proposed two courses for legislative consideration. One was that the whole matter of consolidation be "indefinitely postponed". The alternative suggestion was that \$100,000 be appropriated for an exhaustive investigation of the subject and the inauguration of a thorough-going campaign of publicity to educate the people and place before them the advantages and economies of consolidation. The School of Public and International Affairs of Princeton University was suggested as a proper agency for such a study.

The "home rule" principle, so overworked in recent years, received a rap in the report. "The State Commission is satisfied," it said, "that little can ever be accomplished if, because of political expediency or other reasons, the matter of consolidation must be favorably acted on through a plebiscite of each particular municipality involved." It was urged that the legislature deal with the problem or that the total vote in the territories to be consolidated determine the question rather than allow an individual municipality to halt the reform.

The weakness of the questionnaire method was demonstrated in the work of this committee. The discouraging number of replies should not be taken as proof of the lack of interest in nor the impossibility of effecting consolidations. Rather the nature of the questions was such that any municipal clerk or other official who was to fill them out had to take a day or two off in which to answer all the questions on the sheets. It was clearly demonstrated that "field workers", representing the commission, would have had

to accompany the questionnaires to obtain a large percentage of replies.

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TAXATION AND GOVERNMENT

Edited by Wade S. Smith

Taxpayer Favored by Manager Cities as Class.— That local government actually costs the taxpayer less in cities operating under the city manager plan than in cities under other forms of government is revealed in an analysis recently made of Mr. C. E. Rightor's comparative tax rates for 1934 (*NATIONAL MUNICIPAL REVIEW*, December 1934). In the analysis the adjusted tax rates are used as the basis of comparison, since these give the most reliable index to actual tax payments.

In the twelve cities having from 300,000 to 500,000 population, the highest class in which the city manager plan is in use, there are two city manager governments, Cincinnati and Rochester. Cincinnati has the lowest tax rate and Rochester has the second lowest, the adjusted rates being \$18.22 and \$22.77 per \$1,000 of valuation, respectively. The average rate for the eight reported non-manager cities in the class is \$28.96, with Jersey City high with a rate of \$40.69. The median for the class is \$26.50.

Of the six cities having the lowest rates in the next class of cities, those with between 100,000 and 300,000 population, two are city manager cities—Oklahoma City with a rate of \$16.47 and Dallas with a rate of \$17.96. The average rate for ten cities reporting in this group having city manager government is \$25.23, which is \$1.76 less than the average of the 44 cities in the group under other forms of government. The median for the group is \$26.53.

In cities having from 50,000 to 100,000 population, three of the four lowest are under the city manager plan. Greensboro, N. C., has the lowest rate, \$12.68; Roanoke, Va., ranks third with \$16.25; and Kenosha, Wis., ranks fourth with \$16.80. The average rate of the twenty-two manager cities in the group is \$25.06, as contrasted with an average of \$26.79 for the fifty reported cities having other types of government. The group median is \$25.56,

while Bayonne, N. J., a non-manager city, has the highest rate, \$44.15.

In the 30,000 to the 50,000 population group, of the six cities having the lowest rates, three are manager cities. Newport News, Va., is second lowest with a rate of \$15.90; Auburn, N. Y., fifth lowest with a rate of \$16.36; and Lynchburg, Va., sixth lowest with a rate of \$16.80. The average for the 21 manager cities reporting is \$24.37, as contrasted with an average of \$25.56 for the 71 reporting cities under other forms of government. The median for the group is \$25.13. Chelsea, Mass., has the highest rate, \$43.40, the highest city manager city in the group being Tucson, Arizona, with a rate of \$31.35, which is fourteenth from the highest rate in the group.

This is encouraging news, indicating so far as it is possible with existing statistics what has been believed and supported by scattered evidences all along. The city manager governments do supply services with less strain on the taxpayer than do the other forms. But how compare these services themselves? How weigh cost and tax data to take into account such factors as frequency of garbage collections, ratio of fire losses, effectiveness of policing, efficiency of city employees, extent of park and playground areas, hospitalization and welfare programs, cultural opportunities provided by the city, and the host of physical elements tending to make cities non-comparable? Until a formula is invented which will relate costs and these and many other imponderables, statistical comparisons between cities will be subject to serious limitations. The generalization seems safe, however: city manager governments do cost less.

Cincinnati Reduces Tax Rate \$4.58 for 1935.—By a fortuitous combination of circumstances, Cincinnati takes the lead of the manager cities in reducing the tax costs to its citizens for the coming year, in announcing that the tax rate for 1935 will be \$16.86 per \$1,000 of assessed valuation, a reduction of \$4.58 over the rate for 1934. The cut will save taxpayers an estimated \$3,600,000 on property valued for taxation at \$816,000,000.

As those familiar with recent Ohio developments will recognize, the reduction is made directly possible by the anticipated receipts of

the city's share of the new 3 per cent state sales tax recently provided by the legislature to meet the grave situation caused by the reduction of the constitutional tax limit to 1 per cent. But whereas this local share of the state tax will be used in the majority of cities to make up the deficits occasioned by the tax limit—Cleveland is said to be considering issuing \$6,000,000 in deficiency bonds in addition—Cincinnati is able to use the money for added taxpayer relief.

Despite the reduction, the city plans to restore in full the salary cuts made two years ago, so far as employees receiving less than \$1,500 a year are concerned, and to restore one-third of the amount of the cuts for those in higher income brackets.

Binghamton Ends Year with Surplus.—A short report of City Manager C. A. Harrell to the council of Binghamton, N. Y., cites the following financial facts for the fiscal year 1934:

(1) All obligations of every nature were either met or the proper encumbrances established for their payment.

(2) No tax anticipation notes were issued. Outstanding taxes for the year were \$24,131 less than the amount of taxes outstanding at the close of 1933.

(3) Unexpended budget balances applicable to the general fund were \$45,789, of which \$38,202 was operating balance, \$1,043 debt service balance, and \$6,543 the balance in state and county appropriations. Water works budget balance was \$52,600.

(4) The cash balance in the general city fund was \$71,428. The cash balance of all budgeted funds was \$144,378, and in all funds \$423,552. Income applicable to the general fund from sources other than taxation exceeded budget estimates by \$97,903.

Kenosha Cuts 1935 Taxes.—From Kenosha, Wisconsin, comes news in the "Twelfth Annual Letter to Kenosha Citizens" telling of a reduction in the tax rate for 1935 to \$2.70 per \$100 assessed valuation from \$2.80 in 1934. Taxes for city purposes will total \$603,091 as compared with \$635,697 in 1934. Reduction in the tax rate is made in spite of substantial tax delinquencies, loss of nearly half a million annually in the city's share of

state income taxes, and a tremendous increase in appropriations for unemployment relief. Says the leaflet:

"To meet this enormous loss of revenue and the additional expenditures for unemployment relief, it was necessary to curtail expenditures whenever possible, and in 1932 the salaries of all employees were reduced 15 per cent, and in 1933 another 10 per cent. In 1934 a credit against delinquent taxes for the year 1931 was set up to re-establish salary schedules during the year 1934 equivalent to the original 15 per cent reduction, this to be paid as funds for delinquent taxes for the year 1931 are paid over to the city by the county treasurer. By this method the city's finances have been maintained on a cash basis, all city obligations have been paid in cash, and during this period the net debt of the city has been reduced \$356,930."

Net debt of Kenosha as of December 31, 1934, was \$3,024,000, of which \$2,544,000 was in school bonds. H. C. Laughlin is city manager.

*

Jersey Governor Outlines Tax Relief Plan.—In his inaugural address January 15, Governor Harold G. Hoffman of New Jersey outlined a \$35,000,000 program of new taxes to lighten the burden on general property and provide for emergency relief. A state income tax with rates averaging about one-half those of the federal government, and a 2 per cent sales tax, the former to yield \$15,000,000 and the latter \$20,000,000 annually, were proposed.

Governor Hoffman would allocate the revenue from the new taxes as follows: \$18,000,000 annually to remove from real estate the $2\frac{3}{4}$ mill state school tax; \$900,000 annually for assumption by the state of sinking fund requirements on bonds issued for paying the soldiers' bonus, now raised by a direct property tax; and an amount necessary for assumption by the state of the 25 per cent of the total cost of old-age relief now assessed to counties but carried as a temporary expedient on relief funds. The balance would go to emergency relief.

Sentiment in favor of a state income tax in New Jersey has been growing in the past few years, both because of its obvious desirable features, and also because it would enable Jersey residents working in New York to offset their payments against New York in-

come tax claims and keep the money in the home state. The status of the sales tax is not so clear. Whereas a number of organizations have supported the income tax proposals, opponents of the sales tax have been successful to date in preventing its adoption.

*

Model "Budget Dollar" Booklet for Wisconsin Cities.—"Why Pay Taxes?" is the title of a model report suggested for use of cities and villages in the state by the League of Wisconsin Municipalities. It is a model of condensed argument against ruthless budget slashing and blanket tax limits also.

The model report is a twenty-page six by nine inch pamphlet attractively printed with two pie graphs and several simple tables, using the average costs for all Wisconsin municipalities to tell the story of "Badger City". It is not a substitute for the annual report, but an answer to basic questions about services and costs which every citizen should know.

A foreword entitled "Let the People Decide" reviews briefly the elevation of private and public standards of service, and points out that the voters have added the new services and may if they wish dispense with them. Inter-relation of city, county, state, and federal taxes are discussed, and the effect on services of a 15-mill tax limitation proposal is shown. City services are then described one by one, evaluated, their cost compared with various private purchases of the taxpayer, and the crippling effect of the tax limit shown for each. The report ends with a boxed list of "Financial Problems Confronting Badger City".

"Why Pay Taxes?" is an encouraging addition to the growing body of literature designed to stimulate intelligent taxpaying. The use of similar material by every city in the country cannot fail to pay dividends to citizens in their dual capacity of taxpayers and consumers of governmental services.

*

Legality of New York City's recently adopted city income tax, equal to 15 per cent of the federal income taxes imposed in the city, is questioned by a recent report of the Comptroller's Advisory Council on Taxes. The committee recommends repeal in view of certain litigation and the doubtful authority of the city to levy the tax. The tax, unless repealed, will become effective March 15.

Imperial County, California, reports the highest tax collections in four years, as the result of an audit of the payments for the first installment period late in 1934.

*

Governor Talmadge of Georgia has by proclamation removed from the hands of private insurance companies \$6,216,653 in insurance on public buildings which expired this year. Assessments will be levied against the departments which would have paid the premiums to start a self-insurance fund in the state treasury.

*

Commissioner of Taxation F. H. Bushick of San Antonio, Texas, announces a reduction of the tax rate for 1935 to \$1.43 per hundred of assessed valuation, from a rate of \$1.79 in 1934. The new rate breaks down with 75 cents for general fund, 64 cents for debt service, 2 cents for library fund, and 2 cents for fire and police pensions. Last year's breakdown was 84 cents for general fund, 92 cents for debt service, 2 cents for library fund, and 1 cent for pensions.

*

"Scores of municipalities are undoubtedly entitled to much better credit than they now enjoy," said Comptroller Morris S. Tremaine of New York State recently, in urging the value of frequent audits of municipal finances. He stressed the need of competent accountants and the necessity of making their reports public.

*

In the first twenty months' operation of the Kerner-Skarda tax receivership law in Illinois, Cook county collected under it nearly \$250,000,000 in real estate taxes, including penalties of over \$11,000,000. The treasurer's office is receiver for more than 650 properties under the law, it was recently announced. The act is said to be one of the most effective weapons in the fight to rehabilitate Chicago's finances.

PROPORTIONAL REPRESENTATION

Edited by George H. Hallett, Jr.

Cuyahoga County Charter Commission Votes for P. R.—On January 23 the charter commission of Cuyahoga County, Ohio, which includes the city of Cleveland, voted tentatively to write a county charter based

on proportional representation and the county manager plan. These two features of the National Municipal League's model plan of county government were voted on separately and approved by large majorities. The decisions are particularly significant in view of the fact that Cleveland for eight years was governed under a P. R.-manager charter, which it abandoned by a close vote in 1931. Recently there have been indications of growing sentiment for a return to this form of government but with such improvements in detail as those in the charters of Cincinnati, Hamilton and now Toledo. This is reflected in the vote of the commission for a small P. R. council elected at large instead of by districts as formerly in Cleveland.

The commission passed twenty-two resolutions presented by William A. Stinchcomb, director of the Metropolitan Park Commission. Those dealing with the use of proportional representation and the manager plan are as follows:¹

It is the sense of this commission that a charter for Cuyahoga County be drafted on a plan following in its main essentials that generally known as the "commission manager" or "county manager" form; 9 to 4.

There shall be a county council of nine members; 12 to 1.

All members of the county council shall be elected at large; unanimous.

The regular term of office of each member of the county council, other than the president, shall be four years; 10 to 3.

The first term for one-half of the members of the county council (excluding the president) shall be two years, so that thereafter the terms of one-half of the council shall overlap by two years the terms of the other half;² 9 to 4.

The president of the county council shall be a separate office and the presi-

¹Cleveland *Plain Dealer*, January 24, 1935.

²In connection with P. R. this provision is unfortunate, since P. R. automatically assures the desired continuity of personnel even when all the members are elected at the same time. Cleveland's own experience bears this out. In all it held five P. R. elections from four districts each time, a total of twenty, and in every one of these twenty elections a part of the outgoing membership was re-elected. The proposed overlapping terms would somewhat lower the representative character of the council since a group of five or four cannot represent all shades of opinion as completely as nine.—Editor.

dent of such council shall be elected to that office by the people; 12 to 1.

The term of the president of the county council shall be two years; unanimous.

The ballots for election of the county council and its president shall be separate from those for other offices; unanimous.

All members of the county council including the president shall be elected by a system of proportional voting;³ 10 to 3.

*

Boston Bills Introduced Again.—Representative Christian Herter, member of the Boston charter commission which reported to last year's Massachusetts legislature, has re-introduced the bills providing for optional use of proportional representation for the Boston city council and school board and optional use of the corresponding Hare system of preferential voting for mayor. The new plans would take effect only if approved by the voters of Boston at a referendum.

Optional use of P. R. for the council was recommended by the majority of the commission last year. The additional proposals were embodied in a minority report.

In this connection we cannot refrain from reviving two old letters to Boston papers, which have always seemed to us too good for burial in ancient files. The first was written by a former secretary of the Good Government Association, now director of research of the Merchants' Association of New York City, in which capacity he is now taking a leading part in the effort to secure P. R. for New York. It was published by the Boston *Herald* in October, 1924, under the heading "We have Always Favored It."

To the Editor of the *Herald*:

"Register and Vote! We don't care for whom, but vote!"

I registered as soon as I was of age.

³The discussion made it clear that this meant the election of the president as well as the council by the Hare system or single transferable vote. When applied to the election of a group of representatives together this is the form of proportional representation formerly used in Cleveland and the only form used in English-speaking countries. When applied to the election of a single officer it becomes a good form of majority preferential voting—the one now under discussion for mayoralty elections in New York City, which is far superior to the Bucklin (or "Mary Ann") system formerly used for mayoralty elections in Cleveland.—Editor.

I have voted at every primary and election when I was in the country.

But what's the use?

Civic duty? Oh, yes, it is my duty, since the franchise was conferred on me, to exercise it, no matter what the result.

Voting for sheer love of civic duty, however, is pretty thin porridge upon which to nourish interest in public affairs.

I belong to the minority party in my district for the election of all officials chosen from districts, representatives, senator, Governor's councillor, and congressman. I know when I cast my vote that all of my party's candidates are beaten.

I know, too, that by being a registered voter I am counted in the voting population of my district and so help to increase the number of representatives to which my political opponents are entitled.

Where only one person is to be elected from the whole state, as in the case of a Governor, I realize that there can be no minority representation. In such cases, if I support a loser I have no just grievance.

In election of the representative bodies, however, I resent being "represented" by people with whose political opinions I disagree.

I am sometimes told that in other parts of my city or state people who share my views are elected and, therefore, I am represented.

That was the argument the Tories used against the patriot cry of "no taxation without representation." The upshot was the American revolution.

I am staunchly American. I want no revolution. But I do want my share of representation in our elected bodies. I want it direct, not vicarious.

Winning with the top of the ticket part of the time does not reconcile me to losing in all the representative bodies all the time.

Why can't we have a proportional representation system like most of the civilized world?

How long must I keep on voting for candidates who are beaten before they begin?

I am any Republican voter in a strongly Democratic district.

I am any Democratic voter in a strongly Republican district.

Mr. Editor, out of your wisdom, won't you give me the answer?

GEORGE H. McCAFFREY

The second was printed in the Boston *Herald* for July 10, 1931:

To the Editor of the *Herald*:

The *Herald's* editorial entitled "College Men and Politics" has meat in it. The *Herald* is right when it says: "The

sincere man who has devoted a lifetime to politics should not be condemned but rather should be upheld on that score alone." Neither should he be turned out of office by the shift of a few votes or by the gerrymandering of his district. These last two causes of bringing his services to an untimely end are all too frequently operative under the plurality system of election. In fact they are inherent in the system and cannot be gotten rid of until it is abolished.

It is these factors which make our political life so much of a gamble that our better educated men will take the chances involved in a political career only in rare cases and under exceptional circumstances.

It is the fact that politics under the plurality system of election is such a gamble that has caused so many gamblers to gravitate into politics and produced the odium which today attaches to the "professional politician" as we know him or believe him to be.

The fact that the Hare system of proportional representation gives the statesman who has principles and sticks to them an assured following of votes upon which he can depend to return him to office, is one of the best reasons for its adoption here and now.

HENRY E. BRYANT

*

Federal Elections in Australia.—The recent Australian federal elections, conducted by different majority preferential systems for the two houses, gave lopsided results as usual. In New South Wales, for example, the United Australia party, with first choice and final totals of approximately 465,000, elected eleven members of the House of Representatives, while the State Labor party, with a first choice total of about 520,000 and a final total of nearly 560,000, elected only nine. The Country party, with considerably less than half the vote of the State Labor party, elected seven. Thus does the single-member district plan of electing representatives distort the results even under an enlightened form of preferential voting.

In Tasmania the Labor party elected three representatives out of five on a minority vote, but in the election of three senators by majority preferential voting from the province at large, it elected no one at all.

The Senate results for the whole country were as follows :

| Party | First-Choice Votes | Seats |
|------------|-----------------------|-------|
| Government | 1,744,144 | 18 |
| Labor | 1,356,184 | 0 |
| Others | 187,845 | 0 |

Referring to these results, Prime Minister Lyons is quoted by the *Sydney Morning Herald* of October 3, 1934, as saying:

It happens that on this occasion the voting system has operated to the advantage of the party which I represent, but it is obvious that, having regard to the vote cast by the people, it is scarcely just that the Labor party or parties should obtain no representation. There can be no excuse or justification for allowing such a voting system to remain if it is possible to devise a better system.

Mr. Lyons recently told a deputation that he was personally sympathetic to the idea of proportional representation. His own province, Tasmania, has used it in its best form for the provincial legislative assembly continuously since 1907 and New South Wales, after an earlier experience with it for the lower house of its legislature, has recently adopted it for the indirect elections of its upper house.

There is now an active and organized demand, particularly in South Australia and New South Wales, for the extension of P. R. to federal as well as all other Australian elections and the federal government has appointed a parliamentary committee to study the question.

*

The Saar Drops from the List.—One of the incidental results of the recent Saar plebiscite was the discontinuance of P. R. in that territory. Under the League of Nations elections in the Saar Valley have been regularly carried out under a list system of proportional representation. Though this plan was formerly in use throughout Germany also, the principle of fair representation of minorities is of course anathema to President Hitler and his followers and its denial in future in the Saar as elsewhere in Germany may be taken for granted.

GOVERNMENTAL RESEARCH ASSOCIATION NOTES

Edited by Robert M. Paige

Kentucky Tax Reduction Association.—

The Association has recently presented its annual report showing accomplishments during the past twelve months. The Association drafted and had introduced into the 1934 legislature nine measures dealing with county and local government. Five of these measures were enacted into law and afford the means

of saving the taxpayers of Kentucky an estimated \$5,000,000 a year. One of these five bills provided for the abolition of the office of county jailer and the transference of the jailers' functions to the county sheriffs. Studies of the Association showed that the offices of jailer were among the most lucrative offices in the state. More than \$600,000 should be saved by this consolidation.

Another bill provided for the establishment of a county budget law. After its enactment the staff of the Association worked with the state inspector and examiner in the preparation of the budget forms to be prescribed for use by the fiscal courts of the counties.

Other bills abolished the office of "trustee of the jury fund", a minor position formerly found in each county which nevertheless cost about \$24,000 a year; established a uniform fiscal year which will eliminate the necessity for borrowing in anticipation of tax collections and should save \$153,000 in interest charges; and set up a system of state audit and inspection of the county fee offices which should reveal and prevent the illegal retention of fees in excess of \$5,000 a year, the maximum permitted under the state constitution.

An extensive program of tax research has been carried on by the Association with the coöperation of FERA. Financial and other data relating to county government has been collected and compiled in a uniform way for more than twenty-five counties.

*

Minnesota Institute of Governmental Research.—This new organization was formed about six months ago to serve as an agency to study governmental problems of Minnesota and to serve in an advisory capacity to legislators, state officials, and citizens interested in solving these problems. The Institute is a "citizen-supported, non-partisan, non-political, research and fact-finding civic organization". It is staffed to assist officials in the installation of accounting, budgeting, purchasing, and other systems essential to the achievement of efficient and economical public administration.

The chairman of the governing council is Charles Leslie Ames. Other members of the council whose names are well known to members of the Governmental Research Association are Carl P. Herbert, director of the St. Paul Bureau of Municipal Research and Her-

bert J. Miller, president of the Minneapolis Civic and Commerce Association.

The advisory committee of the Institute is composed of three members of the faculty of the University of Minnesota, William Anderson, Roy G. Blakey, and Richard E. Scammon.

The executive director is Harold Henderson, formerly director of the Milwaukee research bureau. Members of his staff include Walter Mayo, formerly of the St. Paul bureau, and Leslie Gravlin, formerly of the Providence bureau.

The first report issued by the Institute is entitled "Feasibility of Blanket Tax Limitation Laws as a Means of Reducing the Tax Burden on General Property in Minnesota—Arguments For and Against". The second report deals with gross receipt and sales taxes. A third report will contain an analysis of all available statistics relating to the yields which might be expected from various types of taxes—gross receipts, sales, net income, luxury, etc.

*

Lake County (Ind.) Taxpayers' Association.—The following is a brief summary of the work of this organization during 1934:

(1) A detailed investigation was made of the finances of the Lake County government and its budget proposals for the year 1935. The Association's report on the proposed budget was undoubtedly the determining factor in influencing the county council to make recommended retrenchments permitting a 2½ per cent reduction in the tax levy despite large current and anticipated future tax delinquencies.

(2) The Association's staff made investigations of budgets and tax levies affecting cities of Gary, Hammond, East Chicago, and Whiting, Indiana. The results of these investigations together with accompanying recommendations were incorporated in written reports which were presented to and discussed in detail with local officials.

(3) Reports supplemented by verbal discussions relative to the budgets and tax levies of local governmental units in Lake County were presented to the County Board of Tax Adjustment.

(4) Monthly bulletins were issued on subjects pertaining to the business of local government. All of these bulletins were published practically in full by the two local newspapers and in several instances were made the subject of favorable editorial comment.

For the year 1935, the Lake County Taxpayers' Association again plans to issue a series of bulletins relating to municipal affairs

and to supplement this publicity by educational talks before local civic organizations and luncheon clubs.

If sufficient finances can be obtained, much more thorough investigations of the proposed budgets of local units are planned and a determined effort will be made to enlist the support of chambers of commerce and other organizations for the Association's recommendations.

Measures presented to the biennial session of the Indiana Assembly will be scrutinized carefully in order to inform local taxpayers regarding those bills which, if enacted into law, might be the cause of additional taxes. The Association, while in no sense of the word a legislative lobbying organization, is hopeful that sufficient public sentiment can be built up to secure laws providing for nonpartisan municipal elections, better budget and accounting methods for local governmental units, and for the correction of present evils in the administration of local poor relief.

M. W. MADDEN, Research Director

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Citizens' League on Government and Taxation of Santa Clara County (San Jose, Calif.).—This organization was formed by a group of public-spirited men in November 1932. Committees were formed to investigate and report on the various county activities. Local units were formed in the centers of population over the county. With Guy R. Kinsley as manager, it was decided to put a home rule charter to the vote of the citizens. In February 1933 this charter was presented to the voters but was defeated by the difference between 14,000 and 19,000 votes.

The activities of the Citizens' League lapsed for a period, but in June 1934 a complete reorganization took place. Under the directorship of Benjamin A. Harris, the Citizens' League is now functioning as a Bureau of Governmental Research and contemplates a survey of all departments of county government, as a basis for future activities.

Bureau of Public Administration, University of Virginia.—During the past twelve months the Bureau has completed two research monographs dealing with municipal electric plants in Virginia and the regulation of public utilities in Virginia. These volumes will be published by the Institute for Research in the Social Sciences as numbers two and three of the Studies in Public Administration of which "The Retirement of Public Employees in Virginia," by the director of the Bureau, was number one. The volume on municipal electric plants is a study of the legal background of public ownership, the history of municipal electric plants in Virginia, rate structure and rate policy, financial policy, and management. The general conclusion is that municipal ownership in Virginia has been a technical and financial success, but that the desire for large profits (which, incidentally, is realized in every Virginia plant) has prevented the development of socially desirable electricity policies. The volume on utility regulation is concerned with the constitutional and statutory history and basis of public utility regulation in Virginia, the administrative workings of the State Corporation Commission, the Commission and the courts, the finances, personnel, and economic philosophy of the Commission. The general conclusion is that by grounding the Commission in the constitution, conferring on it extremely broad powers, giving it a distinct niche in the state judicial organization, and starving it financially, Virginia has secured public utility regulation which is more judicious than aggressive. The defects are organic; the Commission is doing what it does with accuracy and dispatch, but it cannot, within the present framework, consistently pursue an aggressive policy.

In addition, the Bureau has completed a confidential administrative survey of one of the larger Virginia cities, and is at present engaged in the installation of records systems in two cities.

R. A. EGGER, DIRECTOR



LEAGUE'S BUSINESS

(Continued from Page 82)

and the success thereof. From comments here, it made quite an impression on the community and one might say it made a great many people governmentally conscious and directed their thoughts along new lines."

Orin F. Nolting, Assistant Director, The International City Managers' Association: "I attended the sessions on housing, police, and metropolitan government, and the informal discussions were about the best I ever heard in any conference session. . . I think you had a fine conference and a good program."

Henry Hart, Vice-President, First of Michigan Corporation: "I want to assure you that I came away feeling very much rewarded. I was very much impressed with the constructive work that you and the League have been doing."

Dr. George Woodward, Pennsylvania State Senator: "I congratulate you heartily upon the interest and enthusiasm of the fortieth anniversary meeting."

P. R. Williams, Chief Assessor, City of Pittsburgh: "I was very glad indeed to have the privilege of participating in the conference and congratulate you on arranging such a splendid program."

Alonzo G. Grace, Assistant Professor of Education, University of Rochester: "May I state that it was a decided privilege for me to attend the meeting in Pittsburgh. It was one of the most successful meetings of any organization that I have ever been associated with."

Harry A. Freiberg, Treasurer, Hamilton County, Ohio: "I want to tell you how much I enjoyed the conference in Pittsburgh. I feel that my trip there was well repaid. I was greatly interested in all that went on there, and furthermore, I was surprised at the remarkable attendance."

HOWARD P. JONES, *Secretary*

DOUGLAS COUNTY

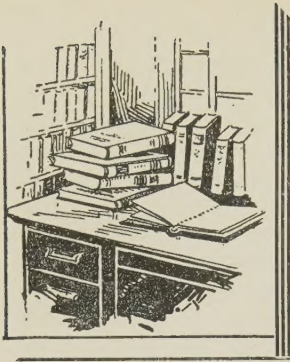
(Continued from Page 107)

ernment. It means better government for less money.

The present cost of government is too great for our income. Relief is not going to come through reduction of services. We are educated to expect much of government. Relief will not come to any great extent and should not come through reduction of salaries of individuals performing necessary duties. A horizontal slashing of expenditures on a percentage basis is inadvisable and not based upon study and reason. Is it not true that we can best proceed through the simplification and modernization of the governmental structures of our political subdivisions? The time is here for deflation in local government—deflation upon an intelligent basis. Our study leads us to the conclusion

that modernization of county government, for example, will result in a saving of 15 per cent to 25 per cent with no curtailment in essential services—in fact a better government. This is the end we seek and expect to see in Douglas County, Nebraska.

Apology.—In his article on "Electric Utilities in the Depression" in the November, 1934, issue of the REVIEW, Dr. John H. Gray inadvertently stated that the maximum residential rate in Cleveland had been reduced to 4c, but that the Cleveland Electric Illuminating Company was still charging 5c in territory outside of the city of Cleveland. Mr. Frank J. Ryan of that company has called our attention to this error, stating that a uniform rate schedule prevails throughout the entire territory served by the company, and that the maximum residential rate is 4c per kwh. throughout. We regret the error which has been duly acknowledged by Dr. Gray.



RECENT BOOKS REVIEWED

EDITED BY EDNA TRULL

The Gasoline Tax in the United States, 1934. By Finla G. Crawford. Chicago. Public Administration Service, 1935. 46 pp. Fifty Cents.

The three previous editions of Professor Crawford's monograph on the gasoline tax have established themselves as the major source of compiled information on the subject. The past two years have witnessed numerous changes and this fourth edition, with data brought up through part of 1934, is welcome. The author has followed the same plan as in the 1932 edition, treating the growth of this tax, its constitutionality, administration, exemptions and refunds, distribution of revenues, diversion from highway purposes, evasion, and the relation of cities to the tax.

Of particular interest to the administrator are the descriptions of the methods used by some of the more vigilant states to effect the complete enforcement of the tax laws. To the layman, the chapter on evasion, with its story of blending, smuggling, substitution, and the efforts being made to combat them, will be absorbing.

Students of public finance find the history and development of the tax a valuable background for their consideration of its distribution, with the related aspect of "diversion" as the non-highway use of gasoline tax revenue has come to be called. The table showing increase in such diversion is particularly telling, but the accompanying text throws but little light on how the figures grew from thirteen million dollars in 1930 to fifty-three million in 1933, or the somewhat higher figure for 1934. New Jersey, for instance, is reported to have spent \$90,000 of gasoline tax money since 1927 for inland water ways,

and in 1932 to have rejected the diversion for relief purposes. In 1933, however, the state authorized the issue of unemployment relief bonds to be serviced from gasoline tax revenues, while other bond issues, not including highways, utilize this source of revenue to the extent of several million dollars a year. (New Jersey also makes an annual appropriation to counties and other local governments, \$8,100,000 in 1934, not all of which must be spent directly for highways.) Illinois, too, is servicing unemployment relief bonds from gasoline tax funds previously utilized for highway purposes. One of the most flagrant cases of diversion not noted is the use of forty per cent of the total gasoline tax collections for the retirement of general fund deficit notes in Oklahoma—a practice which the new governor hopes to have discontinued.

Having doubtless gone to press some months ago, the publication failed to comment on the gasoline tax in the November 1934 elections. This is unfortunate, for it was significant that the three states which had an opportunity to vote on setting a maximum on the gasoline tax voted against the limit. It is also significant that one state voted into its constitution a prohibition against further diversion of gasoline tax revenues from highway uses, while the other two rejected similar amendments.

E. T.

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American State Government. By John Mabry Mathews. New York, D. Appleton-Century Company, 1934. 759 pp. \$3.75.

This volume is a revised edition of Professor Mathews' "American State Government," published in 1924 and widely used as one of the standard textbooks in the field.

This edition, as the earlier one, in its directness, clarity, and readability serves as an excellent introduction to the student of state government. It is unfortunate that the basic material in the volume was not thoroughly revised and factual content brought up to date, but it is a splendid commentary on the earlier edition that the facts presented and indications of trends are still valid. Perhaps the principal result of this insufficient revision lies in the emphasis placed on the component parts of a chapter. For instance, the section on state taxes is almost entirely devoted to ad valorem taxes, with mere mention of income, inheritance, and corporation taxes—perhaps justifiable a decade ago. By 1934, however, the gasoline tax had entirely changed state economy by supplying the forty-eight states with a tremendous amount of revenue not known in 1924, and a number of states had abandoned, or almost abandoned the general property tax as a source of state revenue. Similarly, in the same chapter, the reader is left with the idea that although state debts are increasing, the total outstanding debt in all, as compared with assessed valuation, is small. Actually, one state has recently been in default, another avoided this only with the help of the RFC, and several others have debts which have a relatively high relation to their assessed valuation. Highways are scarcely mentioned.

Fortunately, the somewhat serious lack of complete revision is in part offset by a few new chapters. Particularly interesting is a brief but excellent chapter showing the effects of the depression in the states—with their financial crises, search for new revenues, relief projects, liquor regulation, social legislation, etc. Other new chapters emphasize the relations between the states and the federal government. The appendix also contains pertinent recent material, notably brief comments on some of the state administrative reorganizations and the text of and arguments for the Nebraska single-chamber legislature.

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New Federal Organizations, An Outline of their Structure and Functions. By Laurence F. Schmeckebier. Washington, D. C., Brookings Institution, 1934. 199 pp. \$1.50.

The Brookings Institution continues its series of studies in administration with this volume describing the numerous governmental agencies created to deal with the problems of the depression and administer the policies of the Administration. It deals with forty-six major organizations created or enlarged in scope during the sixteen months ending in June 1934—those administrations, boards, bureaus, commissions, and other agencies usually referred to as the alphabetical groups. Most of these agencies are engaged in work new to the federal government and are concerned with recently formulated policies; some result from the normal growth of government activities. Mr. Schmeckebier's study gives the scope of each unit, the reasons for its creation, the location of field offices, and a brief statistical measure of its activities.

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A Survey of the Government of Pennsylvania. Report of the Joint Legislative Committee on Finances. Harrisburg, Commonwealth of Pennsylvania, 1934. 687 pp.

In its attempt to determine how state expenditures might best be reduced, the legislature of Pennsylvania provided a committee to study the situation and report its recommendations. The committee undertook a comprehensive survey of the government and administration of the state—which not only offered a basis for its own recommendations on financial policy, but will continue to serve as an indispensable handbook on Pennsylvania government. The heads of all the various departments described their work, their expenditures, and possible sources of revenue. This testimony was transcribed, edited, in some cases tabulated and diagrammed, and analyzed—for the use of the legislature and as a permanent record of the operations of the Commonwealth. A detailed table of contents and a usable index enhance the value of the volume, while the recommendations in each chapter give a key to the past—and future—of the numerous branches of state activity.

The content of the volume was earlier published in mimeographed form. The availability of this excellent document in its new, much more convenient, form is indeed gratifying to the many who will use it.

Administrocracy: The Recovery Laws and Their Enforcement. By Guy S. Claire. New York, The Macmillan Company, 1934. 118 pp. Fifty cents.

Much attention has been concentrated on the fact that the New Deal legislation has been in fairly general terms, leaving administration almost entirely in the hands of the executive. As a means of providing the flexibility and efficiency necessary to the emergency, it has, of course, been invaluable. It has also caused the situation which has given the author his descriptive title. The volume itself, however, is primarily concerned with a brief description of the various administrative agencies established by the federal government during the past two years. It is by reading between the lines, as Professor James T. Young says in his *Foreword*, that one is impressed with the need of working out a method to assure efficiency, free from politics, and to protect individual rights against administrative abuses. In other words, the advantages of elasticity and speed will be lost unless administrative personnel can be maintained safe from the weaknesses of bureaucracy.

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Outline of the New Deal Legislation of 1933-1934. By Howard S. Piquet. New York, McGraw-Hill Book Company, Inc., 1934. 154 pp. \$1.00.

This is a valuable document grouping the New Deal legislation under eleven major fields and outlining it in most usable form. An introductory chapter summarizes the situation. The excellent index gives added value to the publication.

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A Bibliography of Civil Service and Personnel Administration. By Sarah Greer. New York, McGraw-Hill Pub. Co., 1935. 143 pp. \$2.00.

This excellent bibliography, just published as Monograph I of the publications of the Commission of Inquiry on Public Service Personnel, follows closely on the heels of the report of that commission which is discussed editorially in this issue of the NATIONAL MUN-

ICIPAL REVIEW. The bibliography contains a carefully selected list of the more important English and foreign volumes and reports dealing with the problems of personnel and was originally prepared by the author, who is librarian of the Institute of Public Administration, to assist the commission in its work.

In this volume have been assembled for the first time all available references on the application of the principles of scientific management to public personnel administration. This bibliography will take rank alongside the other valuable contributions of the author to the field of public administration, namely, "A Bibliography of Public Administration" (1926) and "A Bibliography of Public Administration," Part I: General Literature" (1933).

HOWARD P. JONES

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Cluttering Up State Constitutions. By Mabel L. Walker. New York, Tax Policy League, 1934. 6 pp. mimeo. Twenty-five cents.

Probably one of the most serious handicaps to the adoption of modern scientific tax systems has been the uniformity clause in state constitutions. Within the past few years many states have adopted constitutional provisions on other phases of taxation, detailed and also obstructive, in a sense, to broad, general tax reform. This bulletin discusses both types of legislative restriction. It includes tables on uniformity provisions and recent tax limits and homestead exemptions.

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American Civic Annual. Edited by Harlean James. Washington, D. C., American Civic Association, 1934. 278 pp. \$3.00.

The past year's edition of the Civic Annual is offered as "a condensed text on present-day planning"—a record of recent civic advance. It contains eighty brief articles dealing with land planning, parks, landscaping, housing, highways, city planning, etc. Great emphasis is placed on the federal operations which have dominated planning activities during the past year. As usual the volume is well illustrated and thoroughly interesting.

